Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)
	)
Application of BellSouth Corporation	)
Pursuant to Section 271 of the	) CC Docket No. 01-277
Telecommunications Act of 1996	)
To Provide In-Region, InterLATA Services	)
In Georgia and Louisiana	)

DECLARATION OF

JAY M. BRADBURY

ON BEHALF OF

AT&T CORP.

Table of Contents

Table of Contents
(continued)

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of   )
)
Application of BellSouth Corporation   )
Pursuant to Section 271 of the   )   CC Docket No. 01-277
Telecommunications Act of 1996   )
To Provide In-Region, InterLATA Services   )
In Georgia and Louisiana   )

DECLARATION OF JAY M. BRADBURY
ON BEHALF OF AT&T CORP.

1. My name is Jay M. Bradbury. My business address is 1200 Peachtree Street,

Atlanta, Georgia. Currently I am employed by AT&T Corp. ("AT&T") as a District Manager in

the Law and Government Affairs Organization.

2. I graduated with a Bachelor of Arts degree from The Citadel in 1966. I have

taken additional undergraduate and graduate courses at the University of South Carolina and

North Carolina State University in Business and Economics. I earned a Masters Certificate in

Project Management from the Stevens Institute of Technology in 2000.

3. I have been employed in the telecommunications industry for more than thirty

years with AT&T, including 14 years with AT&T's then-subsidiary, Southern Bell. I began my

AT&T career in 1970 as a Chief Operator with Southern Bell's Operator Services Department in

Raleigh, North Carolina. From 1972 through 1987, I held various positions within Southern

Bell's (1972 – 1984) and AT&T's (1984 – 1987) Operator Services Departments, where I was

responsible for the planning, engineering, implementation and administration of personnel,

processes and network equipment used to provide local and toll operator services and directory

assistance services in North Carolina, South Carolina, Kentucky, Tennessee and Mississippi. In

1987, I transferred to AT&T's External Affairs Department in Atlanta, Georgia, where I was

responsible for managing AT&T's needs for access network interfaces with South Central Bell,

including the resolution of operational performance, financial and policy issues.

4. From 1989 through November 1992, I was responsible for AT&T's

relationships and contract negotiations with independent telephone companies within the South

Central Bell States and Florida. From November 1992 through April 1993, I was a Regulatory

Affairs Manager in the Law and Government Affairs Division responsible for the analysis of

industry proposals before regulatory bodies in the South Central states to determine their impact

on AT&T's ability to meet its customers' needs with services that are competitively priced and

profitable. In April 1993, I transferred to the Access Management Organization within AT&T's

Network Services Division as a Manager – Access Provisioning and Maintenance, with

responsibility for ongoing management of processes and structures in place with Southwestern

Bell to assure that its access provisioning and maintenance performance met the needs of

AT&T's strategic business units.

5. In August 1995, as a Manager in the Local Infrastructure and Access

Management Organization, I became responsible for negotiating and implementing operational

agreements with incumbent local exchange carriers needed to support AT&T's entry into the

local telecommunications market. I was transferred to the Law and Government Affairs

Organization in June 1998, with the same responsibilities. One of my most important objectives

in these negotiations has been to ensure that BellSouth provides AT&T with efficient and

nondiscriminatory access to BellSouth's Operations Support Systems ("OSS") throughout

BellSouth's nine-state region to support AT&T's market entry. As part of my overall

responsibilities, I have personally spent hundreds of hours in direct negotiations and

implementation meetings with BellSouth personnel and subject matter experts. My activities

have included direct participation in OSS implementation teams, review and analysis of data

from the testing and use of BellSouth's interfaces as they are implemented, and continuing

consultation with AT&T decisionmakers concerning OSS. In addition, I have testified on behalf

of AT&T in a number of State public utility commission proceedings regarding OSS issues,

including Section 271 proceedings in all nine States in the BellSouth region. I also testified on

behalf of AT&T in the proceedings before this Commission regarding BellSouth's previous

applications to provide in-region interLATA service in South Carolina[1] and Louisiana.[2]

I. PURPOSE AND SUMMARY OF DECLARATION

6. The purpose of my declaration is to assess whether BellSouth provides

nondiscriminatory access to its OSS as required by the Telecommunications Act of 1996 ("the

1996 Act"), including the competitive checklist set forth in Section 271 of the Act. I will also

discuss whether BellSouth provides nondiscriminatory access to customized operator

service/directory assistance ("OS/DA") routing or customized OS/DA branding.

7. Although BellSouth has made some improvements in its OSS since the

Commission rejected its previous Section 271 application in the *Second Louisiana Order*,

---

[1] *In the Matter of Application of BellSouth Corporation, et al. Pursuant to Section 271 of the Communications Act of 1934, as amended, To Provide In-Region, InterLATA Services In South Carolina*, CC Docket No. 97-208, Memorandum Opinion and Order released Dec. 24, 1997 ("*South Carolina 271 Order*")

[2] *In the Matter of Application of BellSouth Corporation, BellSouth Telecommunications, Inc., and BellSouth Long Distance, Inc., for Provision of In-Region, InterLATA Services in Louisiana*, Memorandum Opinion and Order released October 13, 1998 (*"Second Louisiana Orde*r"); *In the Matter of Application of BellSouth Corporation, et al. Pursuant to Section 271 of the Communications Act of 1934, as amended, To Provide In-Region, InterLATA Services In Louisiana,* CC Docket No. 97-231, Memorandum Opinion and Order released Feb. 4, 1998 (*"First Louisiana Order"*).

BellSouth still fails to provide parity of access to its OSS. Indeed, BellSouth has not even corrected most of the deficiencies in its OSS that the *Second Louisiana Order* found to constitute a denial of discriminatory access. Thus, BellSouth's claim that it has achieved compliance with its OSS obligations – particularly by its witness William Stacy – is no more valid than it was when BellSouth's previous premature application for Louisiana was filed.[3]

8. In its 1996 *Local Competition Order,* the Commission found that the "massive operations support systems employed by incumbent local exchange carriers ("ILECs"), and the information such systems maintain and update to administer telecommunications networks and services, represent a significant potential barrier to entry".[4] The Commission has repeatedly recognized that, without non-discriminatory access to the OSS used by ILECs, AT&T and other competitive local exchange carriers ("CLECs") would be effectively prevented from providing truly competitive local telecommunications service. For example, in its *New York 271 Order*, the Commission stated:

> The Commission consistently has found that nondiscriminatory access to OSS is a prerequisite to the development of meaningful local competition. For example, new entrants must have access to the functions performed by the incumbent's OSS in order to formulate and place orders for network elements or resale services, to install service to their customers, to maintain and repair network facilities, and to bill customers. The Commission has determined that without nondiscriminatory access to the BOC's OSS, a competing carrier "will be severely disadvantaged, if not precluded altogether, from fairly competing" in the local exchange market.[5]

---

[3] *See* Brief in Support of Application by BellSouth for Provision of In-Region, InterLATA Affidavit of William N. Stacy ("Stacy Aff."), ¶¶ 8, 690; Affidavit of David P. Scollard ("Scollard Aff."), ¶ 5; Affidavit of Alfred A. Heartley ("Heartley Aff."), ¶¶ 5, 47. My affidavit will also respond to the Affidavit of K. L. Ainsworth ("Ainsworth Aff.").

[4] *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996,* FCC CC Docket Nos. 96-98 and 95-185, First Report and Order, released August 8, 1996 ("*Local Competition Order*"), ¶ 516.

[5] *Application of Bell Atlantic New York for Authorization Under Section 271 of the Communications Act to Provide In-Region, InterLATA Service in the State of New York*, CC

Systems that are slow to respond, or that are unreliable or inaccurate, would defeat a CLEC's

best efforts to ensure that its customers receive the services they requested on a timely,

competitive basis. No carrier can serve customers effectively without well-designed, properly

implemented, operationally stable, robust, and reliable OSS.

      9. Accordingly, the Commission has held that:

> Section 271 requires the Commission to determine whether a BOC offers
> nondiscriminatory access to OSS functions. . . . [A]ccess to OSS functions falls squarely
> within an incumbent LEC's duty under section 251(c)(3) to provide unbundled network
> elements under terms and conditions that are nondiscriminatory and just and reasonable,
> and its duty under section 251(c)(4) to offer resale services without imposing any
> limitations or conditions that are discriminatory or unreasonable. The Commission must
> therefore examine a BOC's OSS performance to evaluate compliance with section
> 271(c)(2)(B)(ii) and (xiv). In addition, . . . the duty to provide nondiscriminatory access
> to OSS functions is embodied in other terms of the competitive checklist as well.
> Consistent with prior orders, we examine [a BOC's] performance directly under checklist
> items 2 and 14, as well as other checklist items.[6]

      10.   The Commission has stated that for those OSS functions that the BOC

provides to CLECs that are analogous to functions that the BOC provides to itself in its own

retail operations, the statutory mandate of "nondiscriminatory access" requires a BOC such as

BellSouth to provide access to CLECs in "substantially the same time and manner" as it provides

to itself, in terms of quality, accuracy, and timeliness.[7] For those OSS functions that have no

retail analogue, the BOC must demonstrate that the access it provides to CLECs would offer an

---

Docket No. 99-295, Memorandum Opinion and Order released December 22, 1999 ("*New York 271 Order*"), ¶ 83 (footnotes and citations omitted).

[6] *Id.*, ¶ 84 & n.203 (citations omitted)..

[7] *Id.,* ¶¶ 44, 85; *Application of Ameritech Michigan Pursuant to Section 271 of the Communications Act of 1934, as amended, to Provide In-Region InterLATA Service in Michigan,* FCC CC Docket No. 97-137, Memorandum Opinion and Order, released August 19, 1997 ("*Michigan 271 Order*"), ¶¶ 130, 139-143..

efficient carrier a "meaningful opportunity to compete."[8] The latter standard is not a weaker

standard than the "substantially the same time and manner" standard, but is "intended to be a

proxy for whether access is being provided in substantially the same time and manner and, thus,

nondiscriminatory."[9] The BOC must satisfy these standards for *each* of the modes of entry

presented by the 1996 Act (*i.e.*, interconnection, unbundled network elements, and resale).[10]

> 11.   The Commission has applied a two-part test to determine whether a BOC

such as BellSouth meets this parity access standard:

> First, we determine "whether the BOC has deployed the necessary systems and personnel
> to provide sufficient access to each of the necessary OSS functions and whether the BOC
> is adequately assisting competing carriers to understand how to implement and use all the
> OSS functions available to them." We next assess "whether the OSS functions that the
> BOC has deployed are operationally ready, as a practical matter."[11]

The second part of this inquiry (*i.e.,* "operational readiness") requires an assessment of the

commercial readiness of a BOC's OSS to handle current and foreseeable demand.[12] The most

probative evidence that OSS functions are operationally ready is actual commercial usage.

Absent data on commercial usage, the Commission will consider the results of testing.[13]

> 12.   Despite some improvements in its systems during the last three years,

BellSouth still falls short of meeting these requirements. Indeed, most of the deficiencies in the

OSS that the Commission found to be a denial of nondiscriminatory access in the *Second*

Louisiana Order still exist today.

---

[8] *New York 271 Order*, ¶¶ 44, 86.

[9] *Id.*, ¶ 45. *See also Michigan 271 Order*, ¶ 143 ("We require, quite simply, that the BOC
provide the same access to competing carriers that it provides to itself").

[10] *New York 271 Order*, ¶ 85, *Michigan 271 Order,* ¶ 133.

[11] *New York 271 Order,* ¶ 87 & nn. 212-213 (quoting, *inter alia, Michigan 271 Order*, ¶ 136.).

[12] *New York 271 Order*, ¶ 89; *South Carolina 271 Order*, ¶ 97; *Michigan 271 Order*, ¶ 138.

[13] *New York 271 Order,* ¶ 89.

13.   BellSouth asserts that, as a result of a "tremendous effort," it has now "address[ed]" each of the "concerns" that the **Commission** "raised" in the *Second Louisiana Order*. Application at 3; BellSouth's assertion is wrong in several respects. Stacy Aff., ¶¶ 23-26. The *Second Louisiana Order* did not merely express "concerns," but instead made explicit findings that BellSouth failed to provide nondiscriminatory access to its OSS. *Second Louisiana Order*, ¶¶ 91-160. Indeed, the Commission made clear that in any subsequent application, it expected BellSouth "to remedy deficiencies identified in prior orders before filing a new Section 271 application or face the possibility of summary denial." *Id.,* ¶ 5.

14.   Moreover, BellSouth's analysis of its purported compliance with the *Second Louisiana Order* is highly selective. Mr. Stacy mentions only four of the problems that the Commission found to be a denial of nondiscriminatory access: (1) the inability of CLECs fully to use an integrated pre-ordering/ordering interface; (2) the CLECs' lack of equivalent access to due dates; (3) the lack of fully mechanized ordering processes; and (4) the failure of BellSouth to provide nondiscriminatory access to maintenance and repair functions. Stacy Aff., ¶¶ 24-27.

15.   Contrary to Mr. Stacy's assertion, *all four of the problems that he mentions still exist.* As described in Part II below, because of BellSouth's failure to provide proper functionality for parsing customer service records ("CSRs"), CLECs remain unable to fully integrate pre-ordering and ordering functionality. CLECs still lack equivalent access to due dates. Furthermore, although BellSouth has provided fully mechanized ordering capacity for additional order types since the *Second Louisiana Order*, it continues to place excessive reliance on manual processing. Finally, BellSouth has yet to correct the problems that the Commission found to deny nondiscriminatory access to maintenance and repair functions.

16.   Even leaving aside BellSouth's failure to correct these problems, the

Second Louisiana Order found numerous *other* deficiencies in BellSouth's OSS – not mentioned

by Mr. Stacy here – that denied parity of access to CLECs. Although BellSouth has corrected

some of them, the overwhelming majority of those problems still exist today. As described more

fully below:

- BellSouth still does not return firm order confirmations ("FOCs") in a timely manner. *See Second Louisiana O*rder, ¶¶ 122-123.

- BellSouth still does not return rejection notices in a timely manner. *Id.*, ¶ 119.

- BellSouth still does not return timely and adequate completion notices. *Id.* ¶¶ 128-130.

- BellSouth still has not shown that it provides jeopardy notices in a nondiscriminatory manner. *Id.*, ¶¶ 131-133.

- BellSouth still has not shown that the capacity of its systems is sufficient to meet reasonably foreseeable demand. *Id.*, ¶ 139.

- BellSouth still fails to provide CLECs with adequate documentation regarding its OSS. *Id.,* ¶ 113.

17.   As described in Part II, these and other deficiencies in BellSouth's

interfaces deny parity of access to the OSS. Most notably, BellSouth continues to place

excessive reliance on manual processing of CLEC orders, denying CLECs the same fully

automated ordering capabilities provided to its own retail operations. More than 25 percent of

CLEC orders fall out for manual processing as a result of BellSouth's system design or errors in

BellSouth's systems operations. The high degree of manual processing of CLEC orders

adversely affects the CLECs' ability to compete by delaying the return of order status notices

and the provisioning of service to CLECs' customers, increasing the likelihood of errors in the

provisioning of CLEC orders, and lengthening the times taken by BellSouth's Local Service

Centers to respond to CLECs' status inquiries. These adverse consequences cause a substantial

increase in CLECs' costs, while denying them the efficiencies that would otherwise result from

CLECs' substantial investments in electronic interfaces.

18.   As described in Part III, in addition to its failure to provide systems

designed to give CLECs parity of access to OSS functions, BellSouth has failed to provide

CLECs with the assistance necessary for proper implementation of its interfaces. BellSouth has

neither established, nor followed, an adequate change control procedure. The importance of an

effective change management procedure cannot be overstated. Given the complexity of

BellSouth's systems, changes in those systems are likely to affect a CLEC's ordering

capabilities. Thus, it is vital that BellSouth follow and adhere to an established change control

process that includes proper notice, documentation, and collaboration.

19.   BellSouth, however, has failed to do so. Instead, the change control

process in the BellSouth region gives BellSouth total discretion to determine what changes shall

be made in its systems, and in what order of priority. Despite its professed support for the

change management process, BellSouth has frequently disregarded the process in practice. In

addition, BellSouth does not provide a test environment that CLECs need to ensure that they can

conduct transactions effectively using the OSS effectively in commercial production. BellSouth

further undermines the CLECs' ability to use its OSS effectively by failing to provide adequate

documentation and technical assistance.

20.   As discussed in Part IV, BellSouth's application also fails to show that its

OSS are operationally ready to provide nondisseminatory access. BellSouth's own reported

performance data show that it denies nondiscriminatory access in numerous areas – including

flow-through and the timeliness of status notices. Neither the third-party testing in Georgia on

which BellSouth relies, nor the third-party testing of its OSS still underway in Florida, supports

its claim of operational readiness.

21.   As set forth in Part V, BellSouth still has not shown that its interfaces are

capable of handling the volume and complexity of functions required by CLECs, particularly by

large-volume CLECs such as AT&T. BellSouth's own performance – including its untimely

return of status notices for electronically submitted but manually processed CLEC orders

(referred to herein as "partially mechanized orders") and the frequent outages on its interfaces –

indicate that both its electronic and manual processes lack adequate capacity. The third-party

volume test in Georgia on which BellSouth relies in its application was not an adequate measure

of BellSouth's capacity. In fact, KPMG's scheduled third-party volume testing of the OSS in

Florida already has been suspended because of deficiencies in the OSS strongly indicating that

they lack sufficient capacity.

22.   In Part VI, I address BellSouth's attempt to rely on performance data from

Louisiana to support its application for Georgia (and vice versa). Finally, as set forth in Part VII,

BellSouth does not provide nondiscriminatory access to customized OS/DA routing or

customized OS/DA branding. BellSouth fails to provide an efficient means by which a CLEC

can order customized OS/DA routing. In addition, BellSouth has not provided call routing

options for customized OS/DA branding that are equivalent to those which BellSouth provides to

its own retail customers.

II.   BELLSOUTH STILL DOES NOT OFFER NONDISCRIMINATORY ACCESS TO ITS OPERATIONS SUPPORT SYSTEMS.

23.   Although it has made improvements in its OSS since the *Second*

Louisiana Order, BellSouth still fails to provide CLECs with interfaces that afford CLECs OSS

access equivalent to that which BellSouth enjoys in its retail operations. As was the case when

BellSouth filed its second Section 271 application for Louisiana, the functionality, capabilities,

quality, timeliness, and accuracy of the CLEC interfaces are inferior in numerous respects to

those of BellSouth's retail systems.

24.   To demonstrate that it is providing nondiscriminatory access to its OSS,

BellSouth must show that it "has developed sufficient electronic (for functions that the BOC

accesses electronically) and manual interfaces to allow competing carriers equivalent access to

all of the necessary OSS functions." *Pennsylvania 271 Order,* App. C, ¶ 30. BellSouth still does

not satisfy that requirement.

A.   Pre-Ordering

25.   Parity of access in the pre-ordering process is an essential prerequisite to a

CLEC's ability to compete. As the Commission has stated, "Given that pre-ordering represents

the first exposure that a prospective customer has to a competing carrier, it is critical that a

competing carrier be able to accomplish pre-ordering activities in a manner no less efficient and

responsive than the incumbent."[14]

26.   BellSouth, however, has not provided nondiscriminatory access to pre-

ordering functions. BellSouth continues to deny CLECs both the ability to successfully integrate

pre-ordering and ordering functionalities, and equivalent access to due dates – despite the

finding of the *Second Louisiana Order* that such denials violated BellSouth's OSS's obligations.

Moreover, BellSouth denies CLECs the same degree of access to information on customer

service records ("CSRs") that it has in its own retail operations.

---

[14] *See In the Matter of Application by SBC Communications, Inc., Southwestern Bell Telephone
Company, And Southwestern Bell Communications Services, Inc., d/b/a southwestern Bell Long
Distance Pursuant to Section 271 of the Communications Act of 1996 To Provide In-Region,
InterLATA Services In Texas*, CC Docket No. 00-65, Memorandum Opinion and Order released
June 30, 2000 ("*Texas 271 Order*"), ¶ 148.

1.   **BellSouth Fails To Provide Equivalent Parsing Functionality To CLECs.**

27.   As part of its OSS obligations, BellSouth is required to give carriers the ability to integrate pre-ordering and ordering functions – that is, the ability "to transfer pre-ordering information (such as a customer's address or existing features) electronically into the carrier's own back office systems and back into the BOC's ordering interface." *Texas 271 Order*, ¶ 152. Without the ability to fully integrate pre-ordering and ordering functions, a CLEC is placed at a severe competitive disadvantage, because it "would be forced to re-enter pre-ordering information manually into an ordering interface, which leads to additional costs and delays, as well as greater risk of error." *Id.*: *New York 271 Order*, ¶ 137.

28.   In the *Second Louisiana Order*, the Commission found that BellSouth had failed to provide CLECs with the ability to integrate pre-ordering and ordering functions, and had therefore denied parity of access. Because BellSouth's retail operations used a fully integrated pre-ordering/ordering interface that permit all pre-ordering data to be electronically populated into an LSR, while CLECs were required to transfer the same information manually in order to complete orders, BellSouth violated its OSS obligations. *Second Louisiana Order*, ¶¶ 96-103.

29.   That remains the case today. Although BellSouth has made progress towards giving CLECs the ability to fully integrate pre-ordering and ordering functionalities since the *Second Louisiana Order*, BellSouth still does not provide CLECs with the "parsing" functionality necessary to achieve full integration.

30.   "Parsed" pre-ordering information is electronic data that are divided into fields that can be electronically transferred into other fields used in the pre-ordering and ordering process. Some pre-ordering information that CLECs currently obtain is already "parsed." For

example, address information obtained from BellSouth's Regional Street Address Guide

("RSAG") is already parsed and can be transferred electronically by CLECs into the address

fields of the LSR.

31.   When a CLEC uses a pre-ordering interface to access a customer service

record, however, the data are not parsed. Instead, the data on the CSR are strung together as a

"stream" or block of data. Unless those data can be parsed into the appropriate fields, the CLEC

cannot populate the data electronically into the local service request. Instead, the CLEC will be

required to re-enter information from the CSR manually into the local service order – a process

that is more time-consuming, costly, and susceptible to error than would be the case if the CLEC

received parsed (or parseable) information and could then populate it electronically into the LSR.

Thus, a CLEC needs the functionality to parse a CSR in order to place orders most efficiently.

32.   The Ordering and Billing Forum ("OBF") promulgated parsing rules for

CSRs as an industry standard in July 1998. Since September 1998, AT&T and other CLECs

have repeatedly requested BellSouth to implement the CSR parsing functionality. BellSouth,

however, has not done so. Although BellSouth originally scheduled such functionality for

implementation in April 2000, three weeks prior to the scheduled implementation date BellSouth

downgraded the change request seeking such implementation.[15] Although 18 months have

passed since that time, BellSouth still has not implemented the functionality, despite suggestions

by BellSouth that it would do so. In its application, BellSouth states only that delivery of

"further parsing" of CSR information is "targeted" for implementation on January 5, 2002.

Stacy Aff., ¶ 222. However, Mr. Stacy makes no commitment that the "further parsing" will be

---

[15] BellSouth's last-minute downgrading was not only improper conduct by itself, but was yet
another in a continuing series of violations of the change control process (discussed below in
Part III-A).

the functionality adopted by the OBF, or that the implementation will in fact occur on January 5, 2002. *Id.*

33.   Mr. Stacy describes a number of occasions, during the time while the development of a parsed CSR has been pending, when BellSouth and the CLECs met jointly to discuss the effort and the necessary programming specifications. Stacy Aff., ¶ 22. Mr. Stacy fails to mention, however that BellSouth ultimately elected to ignore the results of those meetings. Instead, BellSouth unilaterally promulgated a set of specifications for this development on September 9, 200l. As a result of BellSouth's refusal to implement the previously agreed-to specifications, which were based on the industry standard CSR parsing functionality, CLECs have (and will likely continue to have) only a very limited capability to parse CSRs and integrate CSR data into their own databases and ordering interfaces. CLECs can "split" the data on the CSR so that they can view sections and their content separately, but cannot electronically transfer the data to an LSR.

34.   By failing to provide parsed CSR functionality to CLECs, BellSouth denies parity of access. In contrast to CLECS, which must populate CSR information manually into LSRs, BellSouth's retail operations have extensive parsing capabilities. BellSouth has implemented a parsing program for its retail operations that parses the "stream" of CSR data and enables BellSouth's customer service representatives to populate such data electronically into retail orders. These capabilities minimize the extent to which BellSouth's retail representative must manually input data into its internal OSS gateway systems – such as its Regional Negotiation System ("RNS") or Regional Ordering System ("ROS") – which in turn minimizes the time, cost, and risk of error in generating retail service requests. Because it provides this functionality to its retail service representatives, but not to CLECs, BellSouth cannot satisfy its

obligation to provide nondiscriminatory access until it provides equivalent functionality to

CLECs – by implementing the CSR functionality adopted by the OBF and jointly agreed to by

the CLECs and BellSouth in November 2000 and January 2001.

35.   In its *New York 271 Order,* the Commission again stated that the "BOC

must enable competing carriers to transfer pre-ordering information electronically to the BOC's

ordering interface or to the carrier's own back office systems, *which may require 'parsing' pre-*

ordering information into identifiable fields." New York 271 Order, ¶ 137.   In fact, unlike

BellSouth, Verizon had already implemented "parsed CSR retrieval" for CLECs at the time it

filed its New York 271 application – a fact that the Commission cited in finding that Bell

Atlantic's pre-ordering and ordering interfaces are "readily integratable." *Id.*, ¶ 138.

36.   Subsequently, in its *Texas 271 Order,* the Commission again recognized

that providing equivalent parsing capability is part of a BOC's OSS obligations, stating that

"successful parsing is . . . a necessary component of successful integration." *Texas 271 Order*,

¶ 153. Earlier this year, Ameritech implemented a "parsed customer service inquiry response."[16]

37.   Only a few weeks ago, the Staff of the Georgia PSC recognized that a

BOC cannot satisfy the requirements of Section 271 without providing parsed CSR functionality.

Although it recommended approval of BellSouth's application for Georgia, the GPSC Staff

recommended that, as one of the conditions of approval, BellSouth be required to implement

parsed CSR functionality by January 5, 2002. Stacy Aff., ¶ 222 n.44; Attachment 2 hereto.

38.   Mr. Stacy asserts that "BellSouth provides CLECs with CSR data that are

parsed to the same extent as they are received by BellSouth's own interfaces." Stacy Aff.,

¶¶ 224-225. Mr. Stacy misses the point. BellSouth's retail operations have the capability to

---

[16] *See* Ameritech Accessible letter CLECAMS01-007, dated January 22, 2001 (attached hereto

parse all CSR data and electronically transfer it into an LSR without manual intervention – an

ability that CLECs currently do not have. In any event, it is clear that CLECs and BellSouth's

retail operations do not receive the same parsed data (as evidenced by Mr. Stacy's failure to

provide any basis for his assertion). For example, as will be described below, since the recent

implementation of system changes by BellSouth, CLECs can no longer even view (much less

parse) Billed To Number ("BTN") data, Pending Service Order ("PSO") data, or Local Service

Freeze ("LSF") Indicators on the CSR.   BellSouth's retail operations, by contrast, still have

access to all of this data, in parsed form.[17]

          39.   Mr. Stacy also suggests that BellSouth provides CLECs with the ability to

parse CSR data using the TAG pre-ordering interface. Stacy Aff., ¶ 220. But, as shown in the

exhibits that Mr. Stacy offers to support his contention, BellSouth simply provides information

in a readable form on RoboTAG™. Much of that information, as so displayed, cannot be parsed,

---

as Attachment 1).

[17] Because BellSouth has already developed CSR parsing functionality for its own retail operations, and agreed to provide this functionality to CLECs nearly two years ago, it would make no sense for each CLEC to attempt to develop such functionality independently. Furthermore, CLECs attempting independent development of such functionality would encounter certain technical obstacles within BellSouth's control. For example, BellSouth has not provided CLECs with CSR data that contains delimiters or the business rules by which BellSouth applies its delimiters. In addition, as a result of recent changes by BellSouth to its systems, CLECs cannot view CSRs utilizing circuit information. Even when they can view CSRs, CLECs can no longer view BTN, PSO, or LSF data. Finally, the size and format of the data in certain fields in the ordering interfaces that BellSouth provides to CLECs are not compatible with the size and format of the data obtained from CSRs. This incompatibility makes it impossible to populate the LSR electronically with CSR data. The incompatibility between pre-ordering and ordering data requirements was identified during third-party testing in Georgia, and is not denied by Mr. Stacy. *See* Stacy Aff., ¶ 227. Recently, BellSouth's own OSS witness acknowledged in Section 271 proceedings before the South Carolina PSC that "It will be difficult" for a CLEC to develop a parsing functionality independently. *See* Transcript of proceedings in South Carolina PSC Docket No. 2001-209-C, dated August 23, 2001, at 2637 (Testimony of Ronald M. Pate).

either because certain CSR information is either combined with other data (and cannot be

separated) or is separated and cannot be combined.[18]

40.   BellSouth has fully integrated the receipt and transmission of CSR data

within its own retail pre-ordering and ordering operations. It has not provided such equivalent

functionality to CLECs. As a result, CLECs cannot complete pre-ordering and ordering

functions with the same level of efficiency or effectiveness as BellSouth's operations. This is

plainly a denial of nondiscriminatory access.

2.   BellSouth Fails To Provide CLECs With Equivalent Access To Due Dates.

41.   The ability to provide a customer with prompt service at parity with

BellSouth's is critical to customer satisfaction and to a new entrant's ability to compete.

Customers expect a CLEC not only to provide service promptly, but also to be able to tell them,

while they are still on the line, the date when the service will be installed. The CLEC must also,

---

[18] *See, e.g.*, Stacy Aff., OSS-52 at 5 (name, "William Stacy," on RoboTAG™ screen is out of place and split). Mr. Stacy cites my recent testimony before the Alabama Public Service Commission to support his assertion that "AT&T has already successfully performed . . . integration using the TAG pre-ordering interface and the EDI ordering interface." *See* Stacy Aff., ¶¶ 40 n.7, 192. Mr. Stacy's reliance on my testimony is misplaced. "Integration" is a broad term describing the general ability of CLECs to transfer any pre-ordering information electronically into an LSR. The degree to which a CLEC will be able to populate pre-ordering information electronically into the LSR depends on the extent to which the BOC has given CLECs the ability to integrate. For example, in the Commission's recent proceeding involving SWBT's 271 application for Texas, it appears that CLECs in the SWBT region were able to integrate most pre-ordering information, but still could not parse service address information. *Texas 271 Order*, ¶ 154. Thus, although I testified before the Alabama PSC that AT&T had "integrated in the past TAG with the EDI interface," I also emphasized I was unfamiliar with the exact details of that effort or the scope of the integration that AT&T had been able to achieve, because that work is not within the scope of my responsibilities. As I made clear in my testimony in the South Carolina PSC's Section 271 proceeding on August 30, 2001, AT&T's "integration" of TAG did not include integration of all information from the CSR, because BellSouth has not provided the parsing functionality necessary for such integration. A copy of the relevant portions of my Alabama and South Carolina testimony is attached hereto as Attachment 3.

at that stage, be able to request the due date with reasonable assurance that the date will not

change during the interval between the submission of the order and BellSouth's return of the

Firm Order Confirmation ("FOC"), which sets forth the actual due date.

      42.   In the *Second Louisiana Order,* the Commission found that BellSouth

failed to provide nondiscriminatory access to due dates, for two reasons. First, because

BellSouth did not provide CLECs with actual due dates until a FOC is generated, and failed to

return FOCs on a timely basis, CLECs (unlike BellSouth's retail operations) could not tell their

customers with certainty, while they are on the line, the date on which their service would be

installed. Second, BellSouth did not provide CLECs with an automatic due date calculation

capability equivalent to that used by BellSouth's retail operations. The Commission concluded

that it would "closely examine BellSouth's automatic due date calculation capability in any

future application." *Second Louisiana Order*, ¶¶ 104-106.

      43.   BellSouth has not corrected the problems noted by the Commission. First,

as described below, BellSouth continues to place substantial reliance on manual processing,

while taking an unreasonably long time to return FOCs for partially mechanized orders. As a

result, due dates for CLEC customers are often later than those for BellSouth's retail customers.

      44.   Second, although BellSouth has now installed an automated "due date

calculator" in the pre-ordering and ordering interfaces used by CLECs, the performance of that

calculator has been inadequate to provide nondiscriminatory access to due dates. In some

instances, the due date calculator provides the wrong date. For example, of the UNE-P orders

that AT&T submitted through the LENS interface between October 1 and October 12, 2001,

AT&T received FOCs for 40 to 50 percent of the orders which assigned due dates far exceeding

the standard intervals, *even though the orders had requested the standard intervals*. Rather than

be assigned the standard interval (same-day or one day), the orders were assigned intervals of 2

to 4 days.

45.   Moreover, BellSouth's systems simply do not calculate due dates for

certain products or services. These include various types of migrations, many complex services,

and new service to a location with existing facilities. When BellSouth's pre-ordering interface

fails to provide a calculated due date (a due date which takes into consideration the work load in

the BellSouth central offices and field installation groups), CLECs must default to using the

"targeted" interval in BellSouth's interval guide. If the due date determined in this manner falls

on a date when BellSouth's workload precludes it from providing the service, BellSouth will

assign a longer due date on the FOC returned to the CLEC. Upon learning of the later due date,

the CLEC will be required to advise its customer, who is likely to question the competence and

service-orientation of the CLEC – and will be less willing to take a chance on the CLEC.

46.   Moreover, as BellSouth admits in its application, CLEC orders often fall

out for manual processing as a result of deficiencies with the due date calculator.[19] When LSRs

fall out for manual processing, they lose their place in queue for being assigned due dates. Due

dates are assigned on a "first-come, first-served" basis. Thus, an electronic CLEC LSR that falls

out for manual processing may be assigned a later due date than it would have been assigned if it

had flowed through electronically.

47.   BellSouth's retail operations do not experience these problems, because

all of its retail LSRs are electronic and nearly always flow through. As a result, retail LSRs will

be placed in queue for due date assignment earlier than a similar CLEC LSR submitted at the

---

[19] *See* Stacy Aff., ¶ 284 n.51 (acknowledging that BellSouth originally misstated flow-through
rates for June and July 2001 because "due date calculation errors" were incorrectly counted as
"planned manual fallout," rather than as "system fallout," *i.e.*, as fallout due to errors in

same time that subsequently falls out for manual processing. The superior access to due dates

that BellSouth's retail operations enjoy is a denial of nondiscriminatory access.

48.   Mr. Stacy asserts that BellSouth's July 28, 2001, release has corrected the

problems in the due date calculator. Stacy Aff., ¶ 216. That is incorrect. Even after

implementation of the July 28th release, the calculator did not consistently calculate due dates –

and CLECs continued to experience a lack of parity and unreasonable delays. Nor was the

problem corrected by BellSouth's 10.2 release, implemented September 30, 2001, which was

purportedly designed to correct some of the errors in the due date calculators. As previously

stated, between 40 and 50 percent of UNE-P orders that AT&T submitted after the September

30th release were assigned incorrect due dates. BellSouth has provided no explanation for the

problem.

49.   Because of the continuing deficiencies in BellSouth's calculator, AT&T

filed a change request on October 12, 2001, again requesting correction of the problem. A copy

of that change request (CR0520) is attached hereto as Attachment 4. This is the second time that

AT&T has been required to file a change request because of the deficiencies in the calculator.

As Mr. Stacy indicates, AT&T previously filed change request 0445 for correction of the same

problem – assignment of longer-than-standard intervals to UNE-P orders.[20] Yet, even today,

BellSouth has not fixed the problem.

50.   Additionally, recent experience has demonstrated that defects in the

programming of OSS linkages seemingly unrelated to due date calculation can and do cause

CLECs to be provided incorrect due dates by BellSouth's systems. In June 2001, AT&T's

---

BellSouth's systems).

[20] *See* Stacy Aff., ¶ 216. A copy of CR0445 is attached hereto as Attachment 5.

UNE-P orders being placed in Georgia and Florida using the LENS system were given incorrect

due dates (longer than the target interval or than the best available date) during periods of time

when the LNP Gateway was experiencing Type I System Outages.

51.   The inadequacies of the due date calculator were confirmed during the

Georgia third party test by KPMG Consulting, Inc. ("KPMG"), which opened an exception

(Exception 116) because it found that the calculator was deficient for certain products and

service. KPMG closed Exception 116 after BellSouth implemented a manual "workaround" and

promised to implement system changes that would correct the problems. Although BellSouth

claims to have implemented these changes (*see* Stacy Aff., ¶ 646), KPMG tested only

BellSouth's manual workaround.[21] KPMG did not test BellSouth's promised system changes to

determine whether, as implemented, they have fully corrected the problem. As AT&T's

experience demonstrates, however, it is already clear the problems have not been corrected.[22]

---

[21] *See* KPMG Closure Report For Exception 116 in Georgia third-party test, dated May 8, 2001 (attached hereto as Attachment 6).

[22] Mr. Stacy contends that CLECs "do not need to obtain due dates, but should follow the standard intervals" for such orders as migrations, orders for new services where facilities are already in place, and for changes such as adding or changing service. Stacy Aff., ¶ 207. Even if Mr. Stacy is correct, that fact is irrelevant to the issue of parity. In any event, as the market matures both CLECs and BellSouth can be expected to focus their marketing efforts on expanding their customer base, in terms of both additional lines for existing customers and new installations. The disparities in due date functionality between CLECs and BellSouth's retail operations will only become more significant over time.

>   **3.   BellSouth Fails To Provide Equivalent Access To Customer Service**
>   **Record Information.**

52.   Prior to late July 2001, BellSouth's response time to a CLEC request to

retrieve a CSR was an average of 12 seconds. This response time was a denial of parity, given

the ability of BellSouth's retail operations to retrieve CSRs almost instantaneously. BellSouth

claims that it corrected this problem in its July 28, 2001, update release. Application at 66-67.

Although more recent data indicate that CSR response times have improved, BellSouth's July

28th release has precluded CLECs from having access to the same CSR information that

BellSouth is able to view and retrieve in its retail operations. Thus, BellSouth has simply

substituted one parity violation for another.

53.   Prior to the July 28th release, the CSR information that CLECs were able

to access included: (1) Billed To Number data, which is the master telephone number of the

customer's account (which CLECs need for billing and for completion of the LSR); (2) Pending

Service Order data, which indicates whether a pending order exists for that customer (in which

case the processing of the customer's order may be delayed because BellSouth will conduct an

investigation to determine whether the "new" and pending orders are inconsistent); and (3) Local

Service Freeze indicators, which disclose whether the customer has directed that its account not

be migrated to another LEC without its consent. Since the July 28th release was implemented,

however, this data has not appeared on CSRs accessed by CLECs. In addition, CSRs identified

by circuit identifiers can no longer be accessed. By contrast, BellSouth's retail operations

continue to have the ability to view this data.

54.   The inability of CLECs to view BTN, PSO, and LSF data on the CSR,

while BellSouth's retail operations remain able to do so, is a denial of nondiscriminatory access.

Moreover, the inability to view this information clearly inhibits the CLECs' ability to compete.

Without the inability to view a BTN, a CLEC must request BTN data for each customer from

BellSouth by facsimile. Without access to PSO and LSF data, the CLEC's order might be

delayed due to investigation or rejection of the order by BellSouth. As a result, the CLECs will

be required to expend substantial time and costs that BellSouth's retail operations, with their

constant access to such data, will not experience. Until BellSouth reinstates the ability of

CLECs to view such data, it cannot be found to be in compliance with its OSS obligations.

B.   Ordering and Provisioning

55.   The *Second Louisiana Order* found that BellSouth had failed to

demonstrate that it provided nondiscriminatory access to ordering and provisioning functions.

Second Louisiana Order, ¶¶ 107-144.   The Commission found, for example, that (1) BellSouth

had not achieved parity in order flow-through, and (2) BellSouth did not return status notices to

CLECs in a timely manner. *Id.*, ¶¶ 107-123, 129-133.

56.   Notwithstanding its assertions to the contrary, BellSouth has not corrected

those problems. BellSouth's reliance on manual processing of orders remains excessive.

Moreover, the high rate of manual processing causes BellSouth to deny nondiscriminatory

access in other respects, including its failure to return status notices in a timely manner.

**1.   BellSouth Continues To Place Excessive Reliance On Manual
Processing.**

57.   Perhaps the most egregious deficiency in BellSouth's systems – and the

best example of its failure to comply with the *Second Louisiana Order* – is its excessive reliance

on manual processing and its corresponding failure to provide the flow-through capability to

CLECs that it enjoys in its retail operations. As the Commission stated in the *Second Louisiana*

Order, "A competing carrier's orders 'flow-through' if they are transmitted electronically

through the gateway and accepted into BellSouth's back ordering systems without manual

intervention." *Second Louisiana Order*, ¶ 107.[23]

58.   Parity requires that CLEC orders be able to flow through BellSouth's

systems without manual intervention to the same extent as orders submitted by BellSouth's retail

operations, which use highly automated systems that provide flow-through capability for

virtually all retail orders submitted electronically. In the *Second Louisiana Order*, the

Commission found that "the substantial disparity between the flow-through rates for BellSouth's

orders and those of competing carriers, on its face, continues to demonstrate a lack of parity."

Second Louisiana Order, ¶ 109. The Commission explained that "excessive reliance on manual

processing, especially for routine transactions, impedes the BOC's ability to provide equivalent

access." *Id.*, ¶ 110. For that reason, the Commission stated that it "give[s] substantial

consideration to order flow-through rates because we believe that they demonstrate whether a

BOC is able to process competing carriers' orders, at reasonably foreseeable commercial

volumes, in a nondiscriminatory manner." *Id.*, ¶ 108.

59.   In its decisions since the *Second Louisiana Order*, the Commission has

confirmed that flow-through rates – and the corresponding rates of manual processing – are

useful indicators that deficiencies exist in a BOC's OSS that deny CLECs nondiscriminatory

access.[24] Furthermore, the Commission has made clear (1) that in reviewing flow-through rates,

---

[23] Mr. Stacy is thus flatly wrong in stating that "flow-through occurs when a CLEC or BellSouth representative *takes information from an end user customer, inputs it directly into an electronic ordering interface without making any changes or manipulating the customer's information,* and sends the complete and correct request downstream for mechanized service order generation." Stacy Aff., ¶ 285 (emphasis added). The italicized language refers to the pre-ordering process of gathering information (which occurs before flow-through begins) and the input of the order into the system (which occurs regardless of whether the order flows through or is manually processed).

[24] *See, e.g., Pennsylvania 271 Order*, ¶ 48; *Texas 271 Order*, ¶ 179; *New York 271 Order*, ¶ 162.

it will examine whether the BOC's systems are capable of achieving high flow-through rates, and (2) a BOC is not accountable for flow-through problems *if* the BOC shows that the manual fallout is due to CLECs' errors, rather than to the design or operation of the BOC's systems.[25]

60.   BellSouth has not complied with the requirement of the *Second Louisiana Order* that it provide equivalent flow-through capability. Even today, more than *25 percent* of all orders submitted electronically by CLECs fall out for manual processing due to BellSouth's design of its systems, or to deficiencies in those systems (as opposed to any errors committed by CLECs in the preparation or submission of orders). As a result, CLECs are denied parity of access, and are severely impaired in their ability to compete with BellSouth.

a.   The Competitive Impact of Manual Processing on CLECs

61.   Flow-through is a critical issue for CLECs because the concept of flow-through applies both to CLECs and to BellSouth's own retail LSRs.[26] BellSouth's retail LSRs flow through when a BellSouth service representative submits an LSR via one of its front-end retail ordering systems – RNS, which BellSouth uses for most types of residential retail requests, and the ROS, which BellSouth uses to submit orders for retail business customers. *See* Stacy Aff., ¶ 32. Regardless of whether BellSouth uses RNS or ROS, the retail LSR is accepted by BellSouth's Service Order Communications System ("SOCs") without any manual intervention.

---

[25] *See New York 271 Order*, ¶ 167; *Second Louisiana Order*, ¶ 111.

[26] In the past, BellSouth has taken exception to the use of the term "LSR" in association with its retail operations. AT&T recognizes that BellSouth does not use the OBF LSR in its retail operations. However, the Service Request generated by BellSouth's retail sales and marketing systems (RNS and ROS) and then electronically submitted to the Service Order Communications System ("SOCS") for edit and acceptance is functionally equivalent to the LSR submitted by the CLECs for transmission to, and acceptance by, SOCs. The use of the term "LSR" in the discussion of the retail context in this declaration is simply for the convenience of the reader.

62.   Similarly, a CLEC LSR flows through when a CLEC service representative submits an LSR via one of the front-end ordering interfaces offered by BellSouth (EDI, TAG or LENS) and the LSR is ultimately accepted by SOCS without any manual processing. Attachments 7 and 8 to this declaration depict the methods by which BellSouth processes its own retail and CLEC LSRs, respectively.

63.   BellSouth's retail operations submit electronic LSRs that are capable of flowing through up to 100 percent of the time for every service, product, or transaction used in its retail operations. BellSouth has repeatedly confirmed this fact. For example, BellSouth's reported performance data state that the actual flow-through rate in July and August 2001 for its residential retail orders was approximately 94 percent. Because that percentage includes service representative input errors, the actual flow-through capability of BellSouth's retail operations is nearly 100 percent.

64.   Unless their orders flow through BellSouth's systems at the same nearly-100 percent rate as BellSouth's retail systems, CLECs do not have a meaningful opportunity to compete. In comparison to manual LSRs, CLECs can create electronic LSRs more quickly, more accurately, and at less cost. Electronic LSRs that flow through, moreover, can be processed more quickly, more accurately, and for less cost by BellSouth. As a result, electronic LSRs that flow through provide real benefits to consumers -- less time on the phone placing orders, earlier service due dates, lower risk of inaccurate provisioning, and ultimately lower prices because of lower order processing costs.

65.   By contrast, when an LSR falls out for manual processing, it is eventually "claimed" by a service representative at BellSouth's Local Carrier Service Center after some period of time. The LCSC manually inputs the same information from the CLEC's LSR into one

of BellSouth's front-end retail ordering systems (DOE or SONGS) as if it were a retail LSR.[27]

As a result, the order takes longer to reach BellSouth's legacy provisioning systems than if it

were submitted electronically. Moreover, the re-keying of the information by the BellSouth

representative, like any manual procedure, carries with it a risk of error that does not exist when

the order flows through.

66.   Thus, order flow through is critical because it impacts consumers and

CLECs in several important respects. First, as described more fully below, BellSouth does not

provide timely order status notices when CLEC LSRs fall out for manual processing. Depending

on the service or product, it takes BellSouth approximately 18 hours or longer, on average, to

provide a rejection notice or a firm order confirmation ("FOC") for electronic LSRs that fall out

for manual processing. By contrast, BellSouth takes less than 15 minutes on average to send a

FOC or rejection notice when the LSR flows through and is processed electronically.

67.   Because of the unduly long times for the return of FOCs on partially

mechanized orders, CLECs will not learn until the next day (or longer) after submission of an

order whether the order was accepted by BellSouth's systems and, if so, when BellSouth will

provision the requested service. To compete effectively in the local exchange market, however,

CLECs need to receive that information in real time, in order to be able to answer status inquiries

from customers. As a result, when a FOC (or rejection notice) is not returned even after hours

have passed since the CLEC submitted the LSR, the CLEC will be required to expend additional

time and resources to contact the LCSC to obtain status information.

---

[27]DOE and SONGS were replaced in BellSouth's retail operations with ROS during 1999, but
are still used in the wholesale LCSC to re-enter into BellSouth's systems the CLEC orders that
have fallen out for manual processing. BellSouth has stated that it has no plans to implement
ROS in the LCSC.

68.   Notably, of the approximately 18 hours it takes BellSouth to manually process an electronic LSR that fell out, less than one hour (approximately) is consumed by a BellSouth LCSC representative actually working on that LSR. In fact, according to the PWC report that BellSouth cites in support of its "regionality" argument, the average time for an LCSC representative to input a CLEC order into BellSouth's systems is less than 9 minutes. Stacy Aff., ¶ 684. During the remaining 17 hours (approximately) before a FOC is returned, the LSR simply waits in queue at the LCSC for manual processing. There is no reason for BellSouth to take more than 17 hours before it finally re-keys the order into its systems. Clearly, such delays are not experienced by BellSouth's retail operations (which have real-time access to order status information) or its retail customers.

69.   Second, electronic LSRs that fall out for manual processing are subject to later due dates then BellSouth's retail orders. As previously stated, due dates are not confirmed until BellSouth's OSS generate a FOC. At the time the system generates a FOC, the due date is assigned on a "first-come, first-served" basis. Because BellSouth, on average, takes more than 18 hours to generate a FOC for partially mechanized LSRs, such LSRs are placed in queue much later than electronically-processed LSRs that are submitted at the same time. Thus, since BellSouth's retail orders enjoy virtually total flow-through capability, the actual due date for a CLEC customer whose order is manually processed will be later than a BellSouth retail customer who requests the same service at the same time as the CLEC customer.

70.   Third, electronic LSRs that fall out for manual processing face the risk of input errors during manual processing that could lead to a different service being "ordered" than was actually requested by the CLEC – or rejection of the order by BellSouth's systems. As discussed below, the evidence indicates that the frequency of errors in manual processing by the

LCSC is high. For example, PWC's work papers indicate that BellSouth's managers work to maintain only a 70 percent service order accuracy rate for all their responsible LCSC representatives. *See* Attachment 9 hereto. In other words, on average, 30 percent of the CLEC LSRs that fall out for manual processing are inputted incorrectly by BellSouth's LCSC.

71. When errors in manual re-keying of an LSR result in errors in provisioning, the CLEC must expend time and resources to contact BellSouth to correct the error. Moreover, the CLEC's irate customer will blame any provisioning errors on the CLEC – not on BellSouth – and may well cancel its order.

72. Fourth, electronic LSRs that are manually processed are more costly for both CLECs and BellSouth to generate, track, and process than LSRs that flow through. For example, the need to manually process CLEC orders requires BellSouth to hire and train additional personnel, at considerable cost. These costs, and any other costs that BellSouth incurs as a result of manual processing, are passed on to CLECs in the form of higher charges. Moreover, when AT&T is required to contact the LCSC to ascertain the status of an electronically-submitted LSR because it has not received a timely status notice (due to the manual processing of the LSR), it incurs approximately $1.00 per minute in labor costs to obtain the status information – and BellSouth itself incurs approximately $1.00 per minute in labor costs (which it passes on to AT&T) to provide the information.

73. Moreover, extensive manual processing of CLEC orders denies CLECs the full benefits that they expected to realize from their investments in electronic systems. AT&T, for example, has invested tens of millions of dollars to develop electronic ordering and pre-ordering systems to interact with BellSouth's OSS. AT&T incurred those investments because it expected that fully electronic ordering would result in lower costs and would improve

29

the quality of service to its customers. To the extent that BellSouth manually processes AT&T's LSRs, AT&T is denied the benefits of electronic systems. Indeed, manual processing results in *higher* costs and *inferior* customer service – problems that a CLEC cannot afford in a market where profit margins are already low and customer expectations of quality service are high.

b.   The Appropriate Measure of Flow-Through

74.   CLEC orders fall out for manual processing for several reasons. First, BellSouth may have designed its systems to cause a particular type of order to fall out for manual processing. In order to flow through, an electronic order (whether retail or CLEC) must be in a format that can be read by SOCs. Accordingly, BellSouth designed its *retail* (internal) ordering OSS to convert *all* of its retail LSRs into a SOCS-readable format.

75.   BellSouth, however, did not design its *wholesale* (CLEC) ordering OSS to convert all of CLEC LSRs into a SOCS-readable format. By design, some products and services ordered electronically by CLECs are not permitted to flow through. BellSouth's wholesale ordering OSS route those CLEC LSRs to the LCSC for manual processing. Such LSRs are commonly referred to as "designed fallout" and are categorized in BellSouth's monthly flow through report as "manual fallout."

76.   Second, orders may fall out for manual processing because of errors in BellSouth's systems. Specifically, BellSouth's wholesale ordering OSS frequently experience system errors that route CLEC LSRs that can be converted into a SOCS-readable format to the LCSC for manual processing. Such LSRs are commonly referred to as "system error fallout," and are categorized as "BellSouth-caused errors" in BellSouth's monthly flow through performance reports.

77.   Third, an LSR may fail to flow through because the CLEC committed an error (such as failure to follow an applicable business rule) when it submitted the order. These errors fall into two categories: errors that cause the LSR to be rejected and returned automatically to the CLECs (commonly referred to as "auto clarifications"); and errors that cause the order to fall out for manual processing by the LCSC (commonly referred to as "CLEC errors"). *See* Stacy Aff., ¶ 298.

78.   In view of the Commission's repeated holdings that a BOC is not accountable for errors caused by CLECs, flow-through should be measured by considering only those manually processed orders that are "designed fall out" and "system error fall-out" – while excluding all orders that fell out due to errors by CLECs (auto clarifications and CLEC errors). Although BellSouth reports such a rate in its performance data, it uses a different – and improper – measure of flow-through in its application.

79.   BellSouth's monthly flow-through reports contain three different flow-through rates – "Achieved Flow-Through," "Base Calculation," and "CLEC Error Excluded Calculation." *See* Stacy Aff., ¶ 298 & OSS-62.   Of these rates, only the Achieved Flow-Through rate measures flow-through in accordance with the Commission's requirements. Achieved Flow-Through divides the total of the issued service orders for CLECs by the total number of mechanized LSRs, adjusting the denominator to include manual fall-out caused by BellSouth system design and BellSouth system error but *removing* from the denominator any errors caused by CLECs (whether "auto clarifications" or "CLEC errors"). *Id.*, OSS-62. Accordingly, that rate provides a more complete picture of BellSouth's flow-through performance and flow-through capability.[28]

---

[28] In a recent deposition, Ronald M. Pate, who has appeared as BellSouth's OSS witness in every

80.   The two remaining flow-through rates reported by BellSouth are less reliable measures of flow-through performance and flow-through capability. The "CLEC Error Excluded Calculation" rate includes fall-out caused by BellSouth system errors, but removes fall-out caused by BellSouth system design and by CLECs. *Id.* Although it is appropriate to remove fall-out that is truly caused by CLEC errors from the denominator, the exclusion of fall-out caused by BellSouth system design results in a distortion (and overstatement) of BellSouth's true flow-through performance. The "Base Calculation" rate is similarly flawed because it includes fall-out caused by CLEC errors and BellSouth system errors, but excludes fall-out caused by BellSouth system design. *Id.*

81.   Rather than use the Achieved Flow-Through rate, however, BellSouth uses the CLEC Error Excluded Calculation rate to calculate flow-through rates for purposes of its application. *Id.*[29] As I have stated, this is plainly inappropriate, because it fails to take into account manual fall-out caused by BellSouth's system design while including CLEC errors. Only the Achieved Flow-Through rate complies with the Commission's requirement that a BOC be held accountable for manual processing due to its own conduct (whether system error or system design), but not for errors attributable to CLECs.[30]

State in the BellSouth region that has held Section 271 hearings, agreed that the Achieved Flow Through calculation measures the capability of BellSouth's interfaces. *See* Transcript of deposition of Ronald M. Pate, taken October 10, 2001, in North Carolina Utilities Commission Docket No. P-55, Sub-1022, at 55 (attached hereto as Attachment 10).

[29] Achieved Flow-Through and CLEC Error Excluded Calculation (including the benchmarks applicable to CLEC Error Excluded Calculation) are the performance measurements for flow-through adopted by the Public Service Commissions in Georgia and Louisiana.

[30] Although BellSouth uses the CLEC Error Excluded Calculation rate for purposes of flow-through, it uses the purported variation in *Base Calculation* rates among individual CLECs as the basis for its argument that "the care with which a CLEC prepares an order affects whether that order will actually flow through." Stacy Aff., ¶ 325. *See also* Application at 75-76. Leaving aside the fact that BellSouth provides no evidence to support the rates that it describes

82.   Even if BellSouth's use of the CLEC Error Excluded Rate is appropriate

(and it is not), those rates clearly show that BellSouth does not satisfy its obligations to provide

nondiscriminatory access. For example, in May, June, and July 2001, these rates for residential

resale LSRs were 90.2 percent, 87.4 percent, and 82.8 percent, respectively. Application at 75.

BellSouth's claim that these rates – including the 82.8 percent rate for July – are "close to" the

95 percent benchmark established by the Georgia PSC (or to BellSouth's residential retail flow-

through rate of 100 percent) is an exercise in wishful thinking. *Id.* Similarly, the CLEC Error

Excluded Rates for UNEs and Business Resale did not come close to meeting their associated

benchmarks of 85 percent and 90 percent during those three months. *Id.* Moreover, the rates on

which BellSouth relies shows that its flow-through performance for CLECS has generally been

deteriorating.

c.   The High Rate of Manual Fall-Out Attributable to BellSouth

83.   The components of the Achieved Flow-through rates show that: (1)

BellSouth's flow-through performance has been inadequate; and (2) the percentage and volumes

of orders that are manually processed have progressively increased. BellSouth's flow-through

performance varies by product category (residential resale, business resale, UNEs, and local

number portability) and by ordering interface (LENS, TAG, and EDI). Provided below is a

matrix, based on BellSouth's reported flow-through data, that reports BellSouth's total manual

---

for individual CLECs, the use of Base Calculation rates is a plainly improper measure of manual
fall-out due to errors caused by CLECs, for the reasons stated above. The Achieved Flow-
Through rate, by excluding "CLEC errors" from the calculation, already provides an accurate
measure of the true flow-through capability of BellSouth's systems. BellSouth has simply
declined to use it.

fall-out (BellSouth design fallout plus BellSouth system fallout) as a percentage of total

mechanized LSRs since January 2001 for each product category and ordering interface.[31]

	January, 2001	February, 2001	March, 2001	April, 2001	May, 2001	June, 2001	July, 2001
LENS LNP	NA	NA	NA	NA	NA	NA	NA
LENS UNE	27%	26%	26%	25%	25%	29%	22%
LENS BUS	44%	47%	47%	49%	45%	45%	40%
LENS RES	14%	16%	15%	14%	15%	19%	22%
LENS TOTAL	18%	19%	18%	18%	18%	22%	23%
TAG LNP	64%	73%	68%	76%	68%	69%	71%
TAG UNE	27%	27%	30%	36%	39%	51%	53%
TAG BUS	52%	59%	65%	57%	57%	55%	42%
TAG RES	9%	14%	14%	12%	14%	11%	16%
TAG TOTAL	20%	24%	25%	24%	28%	30%	35%
EDI LNP	66%	67%	34%	37%	31%	34%	48%
EDI UNE	50%	40%	52%	34%	28%	32%	30%
EDI BUS	61%	54%	55%	53%	49%	56%	51%
EDI RES	8%	11%	10%	10%	9%	17%	23%
EDI TOTAL	43%	40%	25%	21%	17%	26%	29%
TOTAL LNP	66%	68%	40%	43%	38%	42%	55%
TOTAL UNE	29%	29%	31%	30%	30%	35%	31%
TOTAL BUS	46%	48%	48%	49%	46%	46%	41%
TOTAL RES	12%	15%	14%	13%	14%	18%	22%
GRAND TOTAL	21%	23%	21%	19%	19%	24%	26%

In other words, in July 2001 approximately 16 to 71 percent of CLEC orders fell out for manual

processing, depending on the service requested and interface used, due either to BellSouth's

---

[31] The data in this matrix were calculated using the Flow Through Reports for the months of June and July 2001 that BellSouth originally filed with the Georgia PSC. BellSouth revised the reported aggregate results for these two months as reported in its Monthly State Summary in a separate filing with the Georgia PSC on October 1, 2001, but did not provide revised detailed reports or revised error analysis reports. *See* Stacy Aff., ¶ 284 n.51 (acknowledging revisions in June and July data). On October 15, 2001 BellSouth filed partial revisions to the detailed reports for these months, but no revised error analysis reports. When BellSouth files the complete revisions of these reports, I will update this matrix and submit it either as part of AT&T's reply comments or in an *ex parte* submission to the Commission.

failure to provide electronic flow-through capability for those orders or to errors in BellSouth's

systems. Graphs describing the monthly percentage of total manual fall-out during 2001 by

product and by interface are attached hereto as Attachments 11 and 12, respectively. In total, 26

percent of CLEC orders fell out in July for manual processing due to system design or system

error.[32]

84.   These data demonstrate that BellSouth's flow-through performance across

product lines and interfaces is poor and, in many cases, is getting worse. Of particular concern is

BellSouth's flow-through performance for the wholesale products most attractive to CLECs

(Local Number Portability, UNEs and Business Resale) and for BellSouth's machine-to-machine

interfaces. These products and interfaces often experience substantially higher rates of manual

processing than BellSouth's overall fall-out rate for CLEC LSRs, which is primarily driven by

residential resale orders submitted via LENS, a human-to-machine interface.

85.   The CLEC fall-out rates are significantly higher than those for BellSouth's

retail customers. As previously noted, BellSouth has reported that only 6 percent of its retail

residential orders fall out to manual processing. Unlike the CLEC fall-out rates provided above,

the BellSouth residential retail fall-out rate includes fall-out resulting from input errors by its

_____

[32] BellSouth's August performance data state that its rate for Achieved Flow Through increased
– and the manual fall out rate thus decreased – for that month. However, those rates are suspect
not only because BellSouth has already admitted that all of its flow-through rates for the two
preceding months were incorrect as originally reported, but also because of the difference in the
August rates from those in July. For example, the Achieved Flow-Through rate reported by
BellSouth increased from the revised rate of 72.88 percent in July to 82.04 percent in August –
an increase of 9 percentage points in only one month, even though BellSouth has not recently
implemented any additional flow-through capability. Furthermore, BellSouth has already posted
three versions of the August Flow Through Report to its web site – an original and two revisions.
The revisions were posted on October 8 and October 9, 2001. Like the revisions to the June and
July data that BellSouth provided to the Georgia PSC on October 15, 2001, no revised version of
the August data has included a revised error analysis.

service representatives.[33] Thus, BellSouth's residential retail systems are capable of achieving

even lower fall-out rates.

86.   From the standpoint of CLECs, the high rates of manual fall-out for LSRs

for LNP, UNEs, and business resale are cause for particular concern, because business resale and

UNEs generate significantly more revenue than residential resale -- even though they involve a

significantly lower volume of LSRs. Attachment 13 hereto is BellSouth's response to an AT&T

interrogatory in State Section 271 proceedings regarding BellSouth's wholesale revenues for

different product categories. BellSouth's wholesale revenues should be somewhat proportional

to CLEC revenues derived from selling these wholesale products in the retail environment.

Attachment 13 shows that UNEs generated approximately 12 times more revenue than

residential resale in May 2001. Business resale generated 2.5 times more revenue than

residential resale. In June and July, however, UNEs accounted for approximately 25 percent of

all electronic LSRs, business resale for approximately 3 percent of all electronic LSRs, and

residential resale for approximately 66 percent of all electronic LSRs.

87.   Thus, the proper processing of LSRs for UNE and business resale orders

have a much greater economic impact on CLECs than the proper processing of LSRs for

residential resale. Obviously, proper order processing is important for all customers.

Nevertheless, the matrix below puts the relationship between LSR volumes, wholesale revenues,

and manual fall-out into context:

	Percent of Total Monthly Volume of Mechanized LSRs (June - July, 2001)	Percent of Total Monthly Wholesale Revenue (May, 2001)	Rate of Manual Fall Out (All interfaces) (June – July, 2001)

---

[33] BellSouth currently does not report its retail flow-through rate for business orders, even though the Georgia Public Service Commission has required it to do so.

Residential Resale	66%	6%	20%
Business Resale	3%	16%	43%
UNEs/LNP	25%	75%	33%/49%

As this table demonstrates, the relative economic impact of LSRs for business resale and UNEs is disproportionately higher than their relative order volumes, whereas the opposite is true for residential resale. LSRs for UNEs and business resale, however, experience a much higher manual fall-out rate.[34]

88.   The high manual processing rates for orders submitted through the TAG and EDI interfaces are also a source of substantial competitive concern to CLECs. TAG and EDI are the only integratable machine-to-machine interfaces offered by BellSouth. Although CLECs may gain efficiency and effectiveness because they can integrate TAG and EDI with their back-office systems, those benefits are being nullified by the costs due to the higher BellSouth-caused manual processing rates for those interfaces. The high manual fall-out rates also indicate that BellSouth has not properly integrated TAG and EDI with its legacy systems.

89.   The high rates of manual processing for LSRs submitted via TAG or EDI have a significant adverse effect on competition. TAG and EDI are the interfaces generally used by CLECs capable of full-scale market entry. As a result of the high manual fall-out rates, CLECs using these interfaces and employing particular market entry strategies – such as entry through UNEs, LNP, and business resale – will be significantly constrained by BellSouth's imposition of manual processing. Manual processes simply cannot handle large volumes of orders effectively or provide the responsiveness of electronic processing.

---

[34] A bar graph comparing the rates of manual processing and economic risks for residential resale, business resale, and UNE orders is attached hereto as Attachment 14.

90.   As a result of manual fall-out caused by BellSouth, the number of orders

manually processed by the LCSC has dramatically increased during 2001, as the total number of

LSRs has increased. Attachment 15 hereto describes the volumes of LSRs handled by the LCSC

since January 2001. Total volumes of such orders have increased from approximately 112,000

in January 2001 to nearly 150,000 in July. As the table demonstrates, the number of LSRs

processed by the LCSC due to BellSouth's system design or system errors increased from

approximately 62,000 in January to nearly 96,000 in July. The July volumes constituted more

than 60 percent of the total volume of orders that the LCSC manually processed during that

month. By comparison, the number of manually processed orders attributable to errors

committed by CLECs has been relatively small (approximately 9,600 in July, for example) –

demonstrating that the overwhelming majority of manual fall-out is attributable to BellSouth.

See id.[35] Nonetheless, the total volume of manual fall-out (whether BellSouth-caused or CLEC-

caused) constitutes approximately *two-thirds* of the LCSC's workload.[36] A chart describing the

volumes of the LCSC's workload attributable to BellSouth-caused fallout, CLEC error, and

manually submitted orders is attached hereto as Attachment 19.

---

[35] In fact, as shown in the tables attached hereto as Attachments 16 and 17, during 2001 the
volume and percentage of LSRs that fell out for manual processing from January through July
2001 due to CLEC errors has remained relatively constant – and only a fraction of the volume
and percentage of fall-out caused by BellSouth.

[36] In addition to electronically submitted orders that fall out for any reason, the LCSC manually
processes orders that are *submitted* manually (*i.e.,* by facsimile). Manually submitted orders,
however, constitute less than one-third of the total number of orders manually processed by the
LCSC. In July 2001, for example, approximately 42,000 of the 147,000 orders manually
processed by the LCSC were manually submitted orders. *See* Attachment 15 hereto.
Attachment 18 to this declaration describes, through a series of comparative "leaky pipe" charts,
the number of electronically submitted LSRs that flowed through as opposed to the total volume
of LSRs manually processed by the LCSC, for the months of March 1999, March 2000, March
2001, and July 2001. The charts also describe the volumes of LSRs manually processed by the
LCSC that were: (a) manual orders; (b) manual fall-out (LSRs designed for manual fall-out); (c)
auto clarifications; (d) BellSouth system errors; and (e) CLEC errors.

91.   The high rate of manual fall-out due to BellSouth's system design or

system errors has clearly affected its ability to return timely status notices, correctly provision

service for CLEC customers, and answer CLEC inquiries in a timely manner. Attachment 20,

for example, describes the volume of LSRs manually processed by the LCSC, BellSouth's

average time for returning FOCs and rejection notices, and the answer times at the LCSC.

Attachment 20 demonstrates that the high volumes of manually processed orders place an

overwhelming burden on the LCSC's capabilities, resulting in unreasonably long times for

returning status notices and answering CLEC inquiries.

92.   As CLECs ramp up for mass-market entry, the volumes of LSRs that fall

out for manual processing by the LCSC – and, thus, the LCSC's workload --will correspondingly

increase to far greater levels. The already-poor performance of the LCSC caused by current

manual fall-out will become even worse. Time intervals for the return of status notices on

manually processed orders will only grow longer, more errors will be made by LCSC

representatives re-keying such orders, and the LCSC will be even slower in responding to CLEC

inquiries about order status. The costs of the problems to CLECs and consumers will increase

exponentially.

d.   BellSouth's Failure To Increase Flow-Through Capability

93.   Given that more than 25 percent of electronically-submitted LSRs fall out

for manual processing due to BellSouth's system design or system errors, BellSouth has clearly

failed to maximize the flow-through capabilities of its systems.   According to Mr. Stacy's

testimony, more than 20 types of electronically submitted LSRs "fall out by design for manual

handling." Stacy Aff., ¶¶ 291, 294 & OSS-61 at 3-5. Even assuming that BellSouth's list of

LSR types that fall out by design is accurate,[37] BellSouth offers no reasonable justification for its

failure to design its systems to provide flow-through capability for these orders.

   94. Although BellSouth purports to offer "supporting reasons" why the order

types fall out by design, the justifications that it offers are patently inadequate. *See* Stacy Aff.,

OSS-61 at 3-5. For most order types, BellSouth simply asserts in a number of different ways

that these order types will fall out for manual handling by the LCSC when they are submitted –

which is no justification at all.[38] Mr. Stacy's "justifications" that certain order types fall out

when submitted, and that BellSouth's systems are "unable to process or complete" certain types,

are simply BellSouth's way of stating that it has chosen not to design these order types for full

flow-through. BellSouth does not dispute that in its retail operations, *all* of the order types in

OSS-61 are programmed so that they can be electronically entered into BellSouth's front-end

systems and flow through thereafter to SOCS without manual intervention.[39]

---

[37] Prior to the filing of BellSouth's application, BellSouth had identified only 13 categories of LSRs that fall out to manual processing by design. Only last month, KPMG stated that BellSouth's Flow-Through Matrix "doesn't offer a comprehensive list of what does and does not flow through." *See* BellSouth - Florida OSS Testing Evaluation – Status Meeting Minutes – September 12, 2001, at 9 (attached hereto as Attachment 21).

[38] In the case of some LSR types, Mr. Stacy says only that these types will fall out for manual processing. *See, e.g.,* Stacy Aff., OSS-61 at 3-4 (descriptions of REQTYPE A with 16 or more lines, LSRs with Project or RPON fields populated, REQTYPE B (LNP) (Act V with Complex), REQTYPE E (residence 6 lines or more), and REQTYPE C (LNP) (Act V with Complex)). For several other types of LSRs, Mr. Stacy asserts only that BellSouth's systems are "unable to process or "unable to complete" such requests. *E.g., id.* at 3-5 (descriptions of SL1 REQTYPE (ACT C, LNA N or D), SL2 REQTYPE A (ACT C), REQTYPE B (INP, ACT P when migrating the main telephone number), More Than 25 lines, Denials-restore and conversion/disconnect and conversion orders).

[39] Nor does BellSouth explain why it has designed flow-through capability for certain LSR order types only when LSRs for those types involve a certain number of lines, whereas these types of orders flow through electronically to SOCS when submitted by its retail operations – regardless of the number of lines involved. *See* OSS-61 at 3-4 (descriptions of REQTYPE A with 16 or more lines, REQ E (6 lines or more), and More Than 25 lines). BellSouth also fails to explain why "LSRs with Project or RPON fields populated" fall out when submitted by CLECs, when

95. Mr. Stacy's defense of BellSouth's decision to design LSRs for "complex services" to fall out for manual processing simply obfuscates the issue by confusing the pre-ordering process with the ordering process. In essence, Mr. Stacy asserts that this decision is not a denial of parity, because "the manual pre-ordering and ordering processes are substantially the same for both retail and CLEC orders." Stacy Aff., ¶ 332. As shown by Mr. Stacy's own exhibit, however, the "manual" activities performed for BellSouth's retail orders for complex services essentially involve the pre-ordering process of designing the service and obtaining the customer's approval of the BellSouth proposal for the provision of the service. *Id.*, OSS-65. Although BellSouth may manually gather pre-ordering information for retail orders for complex services, once the customer approves the BellSouth proposal, the BellSouth representative inputs the order directly into and electronically into ROS, where it is intended to flow to SOCS and the downstream systems. *Id.*

96. In short, BellSouth's retail orders for complex services are entered directly – and only once – into its systems, where they flow through to the legacy systems without manual intervention. By contrast, CLEC orders are typed and submitted *twice* – once by the CLEC and once by BellSouth after the order falls out for manual processing – creating the risks that the order will be delayed or provisioned in error. This disparity is competitively significant, since it affects a substantial portion of the orders that CLECs submit for business customers.[40] As Mr. Stacy notes, "most business LSRs are for complex services." *Id.*, ¶ 317.[41]

---

retail orders with project codes or RPONs flow directly to SOCS. *Id.* at 3. Clearly, these arbitrary restrictions are a denial of parity.

[40] According to BellSouth's response to a discovery request in the North Carolina Section 271 proceeding, in May 2001 "complex" LSRs accounted for 48 percent of the LSRs that fall out by design, "pending review required" LSRs accounted for 28 percent, "denial/restore and conversion or disconnect" LSRs for 14 percent, and "special pricing plan" LSRs for 5 percent.

97.   BellSouth cannot reasonably argue that CLECs' orders for complex services cannot be designed to flow through its systems after submission by the originator, when BellSouth has clearly designed its systems to allow flow-through for the same orders when submitted for a retail customer. Its failure to provide equivalent capability for CLECs is plainly discriminatory.

98.   BellSouth suggests that it is attempting to increase the flow-through capability of various additional types of orders, citing the formation of the Flow-Through Improvement Task Force in which it, and the CLECs, participate. *See*, *e.g.*, Stacy Aff., ¶¶ 320-325; Varner GA Aff., ¶¶ 126-129. However, the progress of the Improvement Task Force thus far has been disappointing.

99.   Despite the Georgia PSC's requirement (in its order issued in the Georgia Performance Measures proceeding) that BellSouth establish a task force to eliminate designed manual fall-out and BellSouth system errors, BellSouth has made no real progress in improving flow-through. In fact, as the matrix above illustrates, the rates of manual fall-out have generally increased since the establishment of the Improvement Task Force.

100.   It does not appear that BellSouth is seriously committed to significant improvement of its flow-through capability.   For example, BellSouth has admitted that it has not conducted any cost/benefit analyses to evaluate whether it makes good business sense to

---

See Attachment 22 hereto. Together, these four order types accounted for more than 95 percent of the LSRs that fell out by design in that month.

[41] The February 10, 1999 letter to BellSouth by the Chief of the Commission's Common Carrier Bureau lends no support to BellSouth's decision to design LSRs for complex services for manual fall-out, despite Mr. Stacy's suggestion to the contrary. *See* Stacy Aff., ¶ 287. In the portion of the letter not quoted by Mr. Stacy, the Chief of the CCB stated that "*in principle*, complex orders *that are manually processed for BellSouth's retail customers* could be excluded from flow-through calculations." *Id.*, OSS-59 at 1 (emphasis added). As shown above, BellSouth does not

program its systems to provide flow-through capability for particular types of orders that

currently cannot be ordered electronically or fall out to manual processing. *See* Attachment 23

hereto. BellSouth cannot reasonably claim to be committed to improving flow-through when it

has never conducted such an analysis.

           101.   Mr. Stacy asserts that six flow-through improvement items identified by

the Improvement Task Force "are targeted for implementation with Release 10.3 on January 5,

2002." Stacy Aff., ¶ 322. Although any increase in flow-through capability would be welcome,

Mr. Stacy's assertion should be viewed with skepticism. Prior to the filing of his affidavit,

BellSouth did not previously advise CLECs of its intention to implement these items as Mr.

Stacy describes.

           102.   In addition to its decision to design numerous order types for manual fall-

out, BellSouth has reduced the flow-through capabilities of its systems by inadequate system

design. System errors that cause manual fall-out account for a significant percentage of manual

processing that is attributable to BellSouth. Mr. Stacy asserts that only 8 to 9 percent of all

electronic LSRs fall out because BellSouth has not provided flow-through capability for those

orders. Stacy Aff., ¶ 295. BellSouth's reported data for July 2001 show that 26 percent of all

orders fell out for manual processing for reasons attributable to BellSouth. Thus, if Mr. Stacy's

estimate is correct, nearly 20 percent of all electronically submitted LSRs fall out due to system

errors. BellSouth offers no description of the flaws in its systems that cause manual fall-out.

Nor can BellSouth offer any reason why its systems cannot be redesigned to eliminate such

errors. If BellSouth can design its systems to prevent such errors from occurring for its retail

---

"manually process" retail orders for complex services, but submits them electronically.

orders – as it obviously has, given the flow-through rate of nearly 100 percent for its retail

operations – it surely can do so for CLECs.

      103.   In short, BellSouth's retail operations have flow-through capability that is

far superior to that provided to CLECs. BellSouth's retail operations have flow-through

capability for all offered services and products, whereas CLECs do not. Approximately 95,000

CLEC LSRs fell out for manual processing in July, 2001 for reasons attributable to BellSouth.

On average, it takes BellSouth approximately 18 hours to claim and then manually process these

LSRs, compared to the 15 minutes it takes to automatically process a CLEC LSR that flows

through. In addition to inordinate delays in provisioning, manual processing undoubtedly

increases ordering costs that are ultimately borne by consumers through the rates that they pay.

This serious difference in fall-out rates establishes that BellSouth does not provide CLECs with

nondiscriminatory access to the ordering functionality of its OSS.[42]

---

[42]BellSouth's attempt to compare its flow-through rates with those in States for which the
Commission has previously granted Section 271 approval is irrelevant to the issue of whether it
is providing nondiscriminatory access to CLECs. *See* Stacy Aff., ¶ 299; Application at 75. The
only proper parity comparison here is between the flow-through rates for BellSouth's retail
operations and those for orders submitted electronically by CLECs to BellSouth. The Achieved
Flow-Through rate – which is the most reliable measure of flow-through capability currently
available from BellSouth's reported data – shows that that BellSouth is not providing parity.
BellSouth's comparison of its aggregate flow-through rates with those of other States masks its
poor performance for business resale, UNEs, and other modes of entry.

e.   **The KPMG Tests on Flow-Through**

104.   BellSouth asserts that it "satisfied all of the applicable criteria" in the

flow-through test that KPMG conducted in Georgia. Application at 75. That is incorrect. The

Georgia test found deficiencies in BellSouth's flow-through performance. Moreover, KPMG's

third-party testing in Florida not only confirmed that BellSouth's flow-through performance is

poor, but found numerous additional manifestations of that performance.

105.   **The Georgia Third-Party Test.** In its Supplemental Test Plan Final

Report issued March 20, 2001, KPMG assigned a "not complete" rating on PMR 6-3-2, Flow

Through, which compared the flow-through rates for transactions submitted by the test CLEC to

the benchmarks approved by the Georgia PSC. On July 27, 2001, KPMG explained in an

"Interim Status Report" that it had assigned this rating to BellSouth because BellSouth had not

provided the data necessary for KPMG to complete its statistical analysis of flow-through

metrics.[43] KPMG further explained that BellSouth had subsequently provided the data for

KPMG's statistical analysis and review, and that on the basis of its analysis KPMG had

concluded that "the test CLEC's performance did not exceed the benchmark standard for the

levels of disaggregation tested." Attachment 24 at 4. In other words, the test CLEC experienced

flow-through rates that were below the benchmarks set by the Georgia PSC. Accordingly,

KPMG determined that BellSouth did *not* satisfy PMR 6-3-2, Flow-Through. *Id.*

106.   Although KPMG's Georgia test also evaluated BellSouth's reporting of

flow-through data, that evaluation is not reliable, for several reasons. First, the flow-through

evaluation in Georgia is now obsolete, because BellSouth has significantly changed its reporting

since its evaluation. KPMG relied primarily on flow-through data reported for the months of

---

[43] *See* KPMG Interim Status Report – MTP/STP Activities, dated July 27, 2001 (Attachment 24

September through November 1999. In January 2000, however, BellSouth revised its flow-

through reporting to include disaggregation between Residence, Business and UNEs, and

initiated the reporting of flow-through data for LNP. KPMG however, performed no analysis of

this disaggregated data

107.   Indeed, since the final KPMG test report was issued in Georgia in March

2001, BellSouth has been required to revise the flow-through reports for four months (March,

June, July, and August 2001) because of purported reporting errors. BellSouth's reporting of

flow-through cannot reasonably be considered reliable when its reports regularly contain errors.

108.   Second, KPMG did not conduct a complete flow-through evaluation in its

Georgia test. In response to CLEC concerns, the Georgia PSC ordered, as part of the third-party

test proceedings, that a reputable third party conduct a full audit (for the latest three months data)

of the underlying BellSouth Percent Flow-Through Service Requests report to ensure the

accuracy of the reported results.[44] KPMG, however, simply relied on information from

BellSouth (both BellSouth's public published flow-through reports and underlying data not

publicly available) without independently verifying whether the flow-through reports were

accurate.[45]

109.   Third, KPMG did not conduct its analysis on the latest three months of

data or on BellSouth's current process to collect and report flow-through data. As previously

hereto).

[44] *See* Georgia PSC Docket No. 8354-U, *Investigation into Development of Electronic Interfaces for BellSouth's Operational Support Systems,* Order on Petition for Third Party Testing, approved May 18, 1999, at 3-4.

[45] *See* transcript of May 8, 2001, proceedings in Georgia PSC Docket No. 8354-U, at 170-171 (Attachment 25 hereto).

stated, KPMG's analysis relied on data from September, October and November 1999, with limited "re-testing" of aggregate data from February and October 2000.

110.   Fourth, even without validating the accuracy of BellSouth's raw data, KPMG's evaluation revealed that the Service Request totals reported by BellSouth did not equal the raw data totals.[46] Finally, KPMG did not evaluate the accuracy of BellSouth's "retail" flow-through rate that is part of the monthly BellSouth Percent Flow-Through Service Requests report, even though evaluating the accuracy of BellSouth's self-reported "retail" flow-through rate is critical to determining whether BellSouth is providing CLECs with non-discriminatory access to ordering functions.

111.   Thus, leaving aside BellSouth's failure to satisfy all of the KPMG flow-through criteria, KPMG's flow-through test lends no support to BellSouth's claims. KPMG did not independently verify the accuracy of BellSouth's raw data underlying its monthly flow-through reports or whether such data supports reported results. KPMG, moreover, did not even attempt to evaluate the accuracy of the "retail" flow-through rates contained in the monthly BellSouth Percent Flow-Through Service Requests report because KPMG apparently used its "professional judgment" to conclude that no retail analogue exists. Because of these flaws, KPMG's Georgia evaluation does not provide a reasonable basis for determining whether BellSouth accurately reports its resale and retail flow-through performance, or that BellSouth provides equivalent flow-through capability to CLECs.

112.   **The Florida Third-Party Test.** KPMG's third-party testing of BellSouth's OSS in Florida has found even more evidence of deficient flow-through performance by BellSouth than its Georgia test. KPMG has already issued numerous exceptions

---

[46] *See* Attachment 25 hereto at 175-176.

because it failed to receive timely mechanized status notices on orders that it had expected to

flow through.[47] In addition, KPMG issued a series of exceptions and observations after it failed

to receive *any* status notices for mechanized LSRs that it had submitted.[48] KPMG also found

that LENs imposed ordering requirements (inconsistent with BellSouth's business rules) that

prevented supplemental LSRs from flowing through.[49] All of these exceptions and observations

remain open.

        113.   KPMG also found serious deficiencies in the performance and procedures

of the LCSC. In one exception, KPMG found that the LCSC did not return timely FOCs on

orders that it had submitted by fax or by electronic mail – and did not return FOCs on 20 percent

of the orders until after 72 hours.[50] In another exception, KPMG found that the LCSC returned

no response to multiple LSRs submitted to BellSouth by fax.[51] KPMG has further found that the

LCSC does not make the "call analysis sheets" of individual representatives sufficiently

available to other representatives when a CLEC calls to follow up on status or some other issue;

---

[47] *See* KPMG Third Amended Exception 51, dated June 27, 2001 (KPMG did not receive timely mechanized rejections from the EDI interface); KPMG Amended Exception 54, dated July 5, 2001 (KPMG did not receive timely mechanized rejection notices from the TAG interface); KPMG Exception 85, dated July 11, 2001 (KPMG did not receive timely mechanized FOCs for resale orders submitted via the EDI interface); KPMG Exception 100, dated August 24, 2001 (KPMG did not receive timely mechanized FOCs for UNEs from the EDI interface). These exceptions are attached hereto as Attachment 26.

[48] *See* KPMG Exception 86, dated July 16, 2001 (KPMG did not receive FOCs on 11-15% of LSRs submitted electronically through BellSouth's interfaces); KPMG Exception 99, dated August 23, 2001 (KPMG did not receive FOCs on nearly 10% of LSRs submitted via the EDI interface); KPMG Exception 107, dated August 29, 2001 (KPMG did not receive fully mechanized responses for certain LSRs submitted via the TAG interface); KPMG Observation 94, dated July 16, 2001 (KPMG did not receive flow-through FOCs on LSRs submitted via the BellSouth interfaces). KPMG's exceptions and observation are attached hereto as Attachment 27.

[49] KPMG Exception 89, dated July 19, 2001 (attached hereto as Attachment 28).

[50] KPMG Amended Exception 90, dated August 8, 2001 (attached hereto as Attachment 29).

as a result, the CLEC might be unable to obtain assistance.[52] Finally, KPMG concluded that

LCSC representatives are limited to a maximum of five purchase order numbers ("PONs") per

CLEC phone call (even though BellSouth's documentation describes no such limitation).

KPMG concluded that without documented procedures for the LCSC, "CLECs cannot be certain

that BellSouth will provide dependable and consistent assistance in support of their business

requirements."[53]

2. BellSouth's Service Order Accuracy Rate Demonstrates Its Failure To Provide Nondiscriminatory Access.

114.   The Commission has stated that, in addition to flow-through rates, factors

"such as a BOC's overall ability to return timely order confirmation and rejection notices,

accurately process manually handled orders, and scale its systems are relevant and probative for

analyzing a BOC's ability to provide access to its ordering functions in a nondiscriminatory

manner." *Texas 271 Order*, ¶ 179. BellSouth, however, has failed to perform adequately in any

of these areas.

115.   Among the most telling evidence of the adverse consequences of

BellSouth's excessive manual processing is BellSouth's service order accuracy rate – which, as

BellSouth euphemistically admits, is "not as strong as [its] performance in other areas."

Application at 81. According to its SQM reports for August, for example, BellSouth's rate of

---

[51] KPMG Amended Exception 72, dated September 25, 2001 (attached hereto as Attachment 30).

[52] KPMG Exception 110, dated September 28, 2001 (attached hereto as Attachment 31).

[53] KPMG Amended Exception 103, dated October 3, 2001 (attached hereto as Attachment 32). KPMG has made two other findings that call the reliability of BellSouth's reported flow-through data into serious question. In one exception, KPMG found that BellSouth did not capture xDSL transactions in its flow-through metrics. KPMG Exception 113, dated October 4, 2001 (attached hereto as Attachment 33). Furthermore, KPMG found that it was unable to replicate the values for "auto clarifies" reported by BellSouth in its flow-through data for November 2000. KPMG Observation 68, dated May 11, 2001 (attached hereto as Attachment 34).

service order accuracy for non-dispatch residential resale orders (less than 10 circuits) in Georgia

was only 77.78 percent. For non-dispatch, non-design UNE orders (less than 10 circuits) in

Georgia, the rate was even worse – 64.36 percent.

116.   These rates are fully consistent with BellSouth's own expectations. As I

have previously described, the work papers of PWC indicate that BellSouth's managers aim for a

70 percent service order accuracy rate for all their responsible LCSC representatives. *See*

Attachment 9 hereto. In other words, on average, 30 percent of the CLECs' LSRs that fall out

for manual processing are submitted incorrectly by the LCSC. As a result, provisioning

inaccuracies – and resulting customer dissatisfaction – could occur for more than 25 percent of

all CLEC orders. (And, as described below, recent testing by KPMG indicates that they do.)

117.   BellSouth's poor performance with respect to service order accuracy is

substantiated by the results of tests conducted by KPMG and PWC.   As BellSouth

acknowledges, in KPMG's third-party test in Georgia BellSouth did not satisfy KPMG's criteria

related to the accuracy of manually submitted orders. Application at 60; Stacy Aff., ¶ 444.

Moreover, in the PWC "regionality" evaluation of the LCSC that was commissioned by

BellSouth, PWC found that approximately 20 percent of the orders submitted by the LCSC

"experienced downstream edit errors." Stacy Aff., ¶ 686.

118.   BellSouth 's attempts to explain its poor service order accuracy rate do not

withstand scrutiny. First, BellSouth argues that KPMG's interpretation of the test data "does not

reflect the actual impact to the CLEC's end-user," because KPMG "tend[ed] to overstate the

actual customer impact by counting an LSR as wholly incorrect if one of the multiple items on

the LSR is incorrect, rather than assessing the impact of the one error in the context of the other

items." Application at 60-61. That impact, BellSouth argues, would have been measured more

accurately if KPMG had computed the percentage of errors on the LSR to the total number of items completed on the LSR. *Id.* at 61 n.58; Stacy Aff., ¶ 444.

119.   BellSouth's argument borders on the frivolous. BellSouth offers no basis for its assertion that the impact of a particular error on an end-user depends on the total number of items on the LSR. A single error on an LSR can adversely affect a customer, regardless of whether the BellSouth representative correctly completes all the other items on the LSR. For example, if a representative at the LCSC omits a service requested by the customer from the item on the LSR for products and services, the customer will not receive the service it requested. Alternatively, if the LCSC enters a directory listing incorrectly, the customer's listing in the telephone directory will be incorrect – preventing other parties from reaching that customer.

120.   Second, BellSouth suggests that service order errors that actually affect customer service "are ultimately reflected in the Percent Provisioning Troubles within 30 days (because the CLEC customer is not receiving the service it thinks it should be getting) and invoice accuracy (because the CLEC is being billed for the wrong service)." Application at 81. BellSouth is wrong on both counts. Percent Provisioning Trouble within 30 days captures only those troubles noticed and reported by customers within 30 days. Invoice accuracy simply measures the percent of total revenues billed to CLECs by BellSouth that BellSouth agrees to credit as erroneously billed.

121.   Neither of these metrics would capture all situations where a customer did not receive a particular product or feature that it requested because the LCSC representative failed to include it on the LSR. If the customer failed to complain that it had not received the product or feature, no trouble report would be entered, and the error would therefore not be reflected in troubles reported within 30 days. And, because BellSouth would not bill the CLEC

for the omitted product or feature, that omission would not be captured in the invoice accuracy rate.

122.   Similarly, an error in entering a customer's directory listing on the LSR would not be captured in Percent Provisioning Troubles within 30 days or in invoice accuracy. Customers generally will discover errors in their directory listings only when the new annual edition of the telephone directly is published. Thus, most customers with erroneous listings will not learn of them within 30 days after their service is installed. The erroneous listing would not be reflected in the invoice accuracy rate, since neither the CLEC nor its customer is billed by BellSouth for such a listing.

123.   In short, BellSouth's explanations cannot mask its poor performance of its LCSC in entering CLEC orders into its systems.

3.   BellSouth Has Not Returned Status Notices In a Timely Manner.

124.   In the *Second Louisiana Order*, the Commission found that BellSouth violated its obligation to provide nondiscriminatory access because it had not delivered timely and accurate status notices – FOCS, rejection notices, completion notices, and jeopardy notices – to CLECs. *Second Louisiana Order*, ¶¶ 117-123, 129-133. That remains the case today, as a result of BellSouth's excessive reliance on manual processing..

125.   Ordering and provisioning notices are the means by which BellSouth advises CLECs of certain events in the ordering and provisioning process. FOCs advise CLECs that BellSouth has accepted a service order and provides CLECs with a committed due date. Rejection notices advise CLECs that a particular order is defective and must be corrected. Jeopardy notices advise CLECs that BellSouth cannot meet a confirmed due date. Completion notices advise CLECs that the ordered service has been provisioned.

126.   The Commission has consistently held that providing all of these notices

on a timely basis is critical to a CLEC's ability to provide the same level of service and

information to their customers that an incumbent LEC can provide to its retail customers. As the

Commission stated in the *Second Louisiana Order*, "The timeliness of these notices, including

order completion intervals, is crucial to the ability of new entrants to compete effectively."

Second Louisiana Order, ¶ 117.[54]

127.   BellSouth contends that its overall performance in returning status notices

has been "excellent" and "strong," and that it provides status notices on a nondiscriminatory

basis. Application at 70-72, 78-79. BellSouth, however, has not shown that it provides status

notices in a timely manner. Although BellSouth reports data describing the time it takes to

return status notices, it has not shown that its reported performance data are reliable. This issue

is addressed in detail in the declaration of Cheryl Bursh and Sharon Norris.

128.   One particular way in which BellSouth's reported data masks its actual

performance in returning status notices is its recent exclusion of "non-business" hours in

calculating its partially mechanized FOC and rejection notice intervals for most product/service

types. Prior to March 2001, BellSouth apparently measured these notice intervals from the

actual time it received an electronic CLEC LSR until the actual time it returned the status notice

(FOC, rejection notice, or completion notice) to the CLEC. For example, if BellSouth received

an electronic CLEC LSR at 3 p.m., but did not return a FOC until 10 a.m. the next day,

BellSouth would report the FOC interval for that LSR as 19 hours.

129.   Beginning in March 2001, however, BellSouth stopped reporting the

actual time interval and began reporting the "business hour" interval for partially mechanized

---

[54] S*ee also, e.g., Texas 271 Order,* ¶¶ 171, 174, 187; *New York 271 Order*, ¶ 159; *South*

LSRs (*i.e.*, LSRs that were submitted electronically but did not flow through). Instead,

BellSouth excluded from its calculation all hours outside of the LCSC's published hours of

operation. Thus, for the scenario described above, BellSouth now calculates the FOC interval

for that LSR as being 7 hours (assuming business hours of 7 a.m. to 7 p.m.) This practice is

contrary to the order of the Georgia Public Service Commission, which only authorized the

exclusion of non-business hours in calculating timeliness intervals for non-mechanized LSRs

(*i.e.*, orders submitted by facsimile), and not partially mechanized LSRs.

130.   BellSouth's exclusion of non-business hours from its calculation of status

order intervals masks its actual performance and fails to promote competition. First, it precludes

a direct, valid comparison of BellSouth's actual performance in returning FOCs for fully

mechanized LSR orders (*i.e.*, flow-through for both CLECs and BellSouth) with its performance

in returning FOCs for partially mechanized orders (*i.e.*, LSRs that fall out for manual

processing). Electronic LSRs that flow through are not subject to the hours of operation of

BellSouth's retail or wholesale service centers. (Indeed, that is one of the major advantages of

flow-through.) In calculating intervals for FOCs on flow-through orders, BellSouth does not

exclude non-business hours. Thus, in a comparison of the notice intervals for electronic CLEC

LSRs that fall out for manual processing with the intervals for BellSouth's retail orders or

electronic LSRs that flow through, the delays caused by manual processing would not be fully

apparent.

131.   Second, BellSouth's new methodology also precludes a valid comparison

of the reported interval to existing benchmarks. These benchmarks were established or

negotiated based on actual hours. Unless these benchmarks are reduced to reflect "business

---

Carolina 271 Order, ¶¶ 117, 122, 130.

hours," BellSouth's methodology effectively increases the benchmarks by 12 or more hours. For

example, under its new methodology, BellSouth would meet the 18-hour benchmark for FOCs

on partially mechanized orders in Georgia and Louisiana if it received an electronic LSR at 3

p.m. on Monday and returned a FOC 48 hours later at 9 a.m. on Wednesday – 36 clock hours

later.

132.   Third, BellSouth's new methodology removes any incentive for BellSouth

to expand the LCSC's hours of operation to improve its wholesale performance. Any expansion

or contraction of operating hours would not impact the notice intervals reported by BellSouth.

133.   Finally, BellSouth's new methodology does not reflect the business

environment in which CLECs operate. CLECs and their customers are concerned about actual

response times -- not how those times correspond to BellSouth's hours of operations.

134.   For all of these reasons, BellSouth's claim that it has rendered "strong" or

"excellent" performance in the return of FOCs and rejection notices rings hollow. BellSouth can

make that claim only because it has manipulated its data to mask poor performance.

135.   Even if one takes BellSouth's monthly performance data at face value,

however, BellSouth's data show that it is not providing status notices on a timely basis. I will

discuss the timeliness of FOCs, rejection notices, completion notices, and jeopardy notices in

turn.

136.   **Firm Order Confirmations.** The Commission has stated that "data

demonstrating that [FOCs] are provided in a timely manner is a key consideration for assessing

whether competitors are allowed a meaningful opportunity to compete," because the FOC

confirms that the order has been accepted and provides the actual due date. *Texas 271 Order*, ¶

171; *Second Louisiana Order*, ¶ 120. BellSouth's data show, however, that it is not providing

timely FOC notifications for electronic LSRs that fall out for manual processing.

137. As shown in the table below, BellSouth generally takes an average of 18

actual hours or longer to provide FOCs for such non-flow through LSRs.[55]

Regional CLEC Aggregate Partially Mechanized Firm Order Confirmation Intervals (hours)				
	July (business hours)	Additional Non-Business Hours (Estimated)	Total Actual Hours (Estimated)	Hours of Operation
Resale Residence	7.2	12	19.2	7 a.m. to 7 p.m. (Mon - Sat)
Resale Business	6.24	14	20.24	8 a.m. to 6 p.m. (Mon-Fri)
Resale Design	7.2	14	21.2	8 a.m. to 6 p.m. (Mon-Fri)
Resale PBX	19.68	14	33.68	8 a.m. to 6 p.m. (Mon-Fri)
Resale ISDN	8.64	14	22.64	8 a.m. to 6 p.m. (Mon-Fri)
2W Analog Loop – Non Design	5.76	14	19.76	8 a.m. to 6 p.m. (Mon-Fri)
2W Analog Loop	7.68	14	21.68	8 a.m. to 6

---

[55] Because BellSouth no longer reports actual hours, I have estimated the total number of actual hours by adding one day's worth of "non-business" hours (that is, 12 hours) to BellSouth's reported data. This is a reasonable estimate, given the length of BellSouth's reported interval. While processing some LSRs may not require an additional business day, processing other LSRs may require more than one additional business day (*e.g.*, the weekend).

Regional CLEC Aggregate Partially Mechanized Firm Order Confirmation Intervals (hours)				
	July (business hours)	Additional Non-Business Hours (Estimated)	Total Actual Hours (Estimated)	Hours of Operation
– Design				p.m. (Mon-Fri)
UNE Loop & Port Combinations	5.52	14	19.52	8 a.m. to 6 p.m. (Mon-Fri)
UNE ISDN	9.84	14	23.84	8 a.m. to 6 p.m. (Mon-Fri)
UNE Other Non-Design	7.2	14	21.2	8 a.m. to 6 p.m. (Mon-Fri)
Local Transport	5.52	15.5	20.02	8 a.m. to 4:30 p.m. (Mon-Fri)

By comparison, CLECs generally receive FOCs on LSRs that flow through within 15 minutes after submission of the LSR. Thus, BellSouth's excessive manual fall-out rates have a significant impact on a CLEC's ability to receive a timely FOC, because BellSouth has been unable to provide such notices within reasonable intervals.

138. There is no reason why, with an adequately staffed LCSC, BellSouth could not return a FOC on a manually processed order within 3 hours after order submission – which is the benchmark that it uses for the timeliness of FOCs issued on fully mechanized orders. *See* Application at 70-71. Based on current performance trends, BellSouth is making no attempt to reduce the time it takes to return FOCs on partially mechanized orders to CLECs.

Indeed, in a recent hearing before the Alabama Public Service Commission, BellSouth

acknowledged that it manages the LCSC's workload to process partially mechanized LSRs in 18

hours (the benchmark set by the PSCs), rather than to process such LSRs as quickly as

possible.[56]

139.   The failure of BellSouth to return timely FOCs on partially mechanized

orders is a clear denial of parity and a substantial impediment to meaningful competition. Only

upon receipt of the FOC does a CLEC have confirmation that BellSouth has accepted the order.

For those CLECs using the EDI or TAG interfaces for ordering (and thus cannot obtain a

calculated, firm due date during the pre-ordering process), the FOC will be the first occasion on

which they learn the actual date on which the customer's service will be installed. BellSouth's

performance means that in a significant number of cases, CLECs will be unable to advise their

customers of that date with the same certainty as BellSouth. Because customers expect carriers

to be abreast of their order, the failure of BellSouth to return FOCs within 18 hours on partially

mechanized orders puts CLECs at a significant disadvantage.

140.   **Rejection Notices.** The Commission has correctly found that "Timely

delivery of order rejection notices directly affects a competing carrier's ability to serve its

customers, because such carriers are unable to correct errors and resubmit orders until they are

notified of their rejection by BellSouth." *Second Louisiana Order*, ¶ 118. However, BellSouth's

---

[56] *See* Testimony of Ken L. Ainsworth in Alabama PSC Docket No. 25835, transcript of June 26, 2001, proceedings, at 1227 ("The 18 hour interval is a set interval, a guide that we've been given to manage to") (attached hereto as Attachment 35); Testimony of Ronald M. Pate in Alabama PSC Docket No. 25835, transcript of June 25, 2001, proceedings, at 882 ("It's more of what we've agreed to from the benchmarks for turning around those transactions is how we manage the work force, and that deals with managing that amount of time that these transactions would sit in queue"), 886 (attached hereto as Attachment 36).

reported performance data indicate that BellSouth is not providing timely rejection notices for

electronic LSRs that fall out for manual processing.

      141.   As shown in the table below, BellSouth takes an average of more than 18

actual (clock) hours to provide rejection notices for partially mechanized LSRs. In comparison,

CLECs generally receive rejection notices on LSRs that flow through in less than 8 minutes.

The unreasonably long return times for these notices on partially mechanized LSRs are "another

example of the negative impact that manual processing has on [BellSouth's] ability to provide to

competing carriers equivalent access to OSS functions." *Michigan 271 Order,* ¶ 188. Again,

there does not appear to be any reason why BellSouth cannot return such a notice within 3 hours.

Regional CLEC Aggregate Partially Mechanized Rejection Intervals (hours)				
	July (business hours)	Additional Non-Business Hours (Estimated)	Total Actual Hours (Estimated)	Hours of Operation
Resale Residence	6.25	12	18.25	7 a.m. to 7 p.m. (Mon – Sat)
Resale Business	5.35	14	19.35	8 a.m. to 6 p.m. (Mon-Fri)
Resale Design	8.9	14	22.9	8 a.m. to 6 p.m. (Mon-Fri)
Resale PBX (June) (June – no published result for July)	6.11	14	20.11	8 a.m. to 6 p.m. (Mon-Fri)
Resale ISDN (June) (June – no published result for July)	4.74	14	18.74	8 a.m. to 6 p.m. (Mon-Fri)
2W Analog Loop --	11.66	14	25.66	8 a.m. to 6

Regional CLEC Aggregate Partially Mechanized Rejection Intervals (hours)				
	July (business hours)	Additional Non-Business Hours (Estimated)	Total Actual Hours (Estimated)	Hours of Operation
Non Design				p.m. (Mon-Fri)
2W Analog Loop – Design	7.77	14	21.77	8 a.m. to 6 p.m. (Mon-Fri)
UNE Loop & Port Combinations	4.96	14	18.96	8 a.m. to 6 p.m. (Mon-Fri)
UNE ISDN	7.92	14	21.92	8 a.m. to 6 p.m. (Mon-Fri)
UNE Other Non-Design	8.72	14	22.72	8 a.m. to 6 p.m. (Mon-Fri)
Local Transport	4.96	15.5	20.46	8 a.m. to 4:30 p.m. (Mon-Fri)

142.   **Jeopardy Notices.** As BellSouth's witness Varner states, a CLEC "needs to know in advance of the original due date whether an order is in jeopardy." Varner GA Aff., ¶ 42. In its *Second Louisiana Order,* the Commission stated that timely jeopardy notices are "critical" to a CLEC that has previously received a committed due date. *Second Louisiana Order*, ¶ 131. The Commission promised that it would "examine any future application closely for sufficient, reliable data to determine whether BellSouth provides jeopardy notices to competing carriers in a timely and accurate manner." *Id.*, ¶ 133.

143.   BellSouth acknowledges that it is not relying on its data on jeopardy

notice intervals for purposes of its application. Application at 25. BellSouth has good reason

not to do so, because it is not measuring average jeopardy notice intervals accurately. For

example, the applicable Georgia business rules governing jeopardy notice intervals (Performance

Measurement P-2) define the interval as the time between the date the jeopardy notice is issued

and the due date (the commitment date). As Mr. Varner admits, however, BellSouth measures

the interval from the due date to the date/time of *order completion* – which is flatly wrong under

the business rules. *See* Varner GA Aff., ¶¶ 44, 360. Thus, it is hardly surprising that BellSouth

reported jeopardy notice intervals for August 2001 that range between 4 and 30 days, because

the interval that BellSouth has used to calculate this data far exceeds the interval called for by

the business rules. BellSouth's reported intervals, in fact, are so excessive that they are longer

than the target provisioning intervals for most services and products. In view of the unreliability

of its data, BellSouth's claim that it is providing jeopardy notices on a timely, nondiscriminatory

basis is without foundation.[57]

144.   **Completion Notices.** Completion notices ("CNs") can be an efficient

means by which a CLEC is notified that BellSouth has completed its order for service, and that

billing of the CLEC's end-user can begin. Receipt of mechanized completion notices allows a

CLEC's own OSS to process this status notice in an integrated manner, which is also critical to

effective order management and customer care activities, especially in a mass-market consumer

environment. In addition, the BellSouth process that generates completion notices to CLECs

also triggers the BellSouth process that reports the completion of orders to the 911 database, the

---

[57] Contrary to Mr. Varner's suggestion, BellSouth's performance on missed installation
appointments is not a suitable surrogate for jeopardy notice intervals. Varner GA Aff., ¶ 42.
Missed installation appointments include any missed appointment, regardless of whether the

411 database, the white pages listing database, the Line Information Database ("LIDB"), and

databases associated with maintenance and repair, all of which are vital to customer service and

public safety.

145. Receipt of correct and timely CNs is therefore essential to CLECs' ability

to compete with BellSouth, because a CLEC otherwise will not know whether the service

requested by the customer has been completed. The Commission has therefore expressly

required that a BOC seeking Section 271 authority to show "that it provides competing carriers

with order completion notices in an timely and accurate manner," because the BOC's failure to

do so "directly impacts a competing carrier's ability to serve its customers at the same level of

quality that [the BOC] provides to its retail customers." *New York 271 Order*, ¶ 187.

146. BellSouth, however, has not provided accurate and timely completion

notices to CLECs. KPMG, for example, found that frequently BellSouth fails to provide

completion notices *at all* and that the CNs which are provided can, and do, contain the wrong

completion date. In its Georgia third-party test of the OSS, KPMG found that: (1) completion

notices were not provided for at least 14 percent of its LSRs; (2) even when they were provided,

CNs contained critical incorrect information; and (3) 13 percent of CNs were received more than

one business day after the work was completed (and frequently longer). Thus, KPMG found that

BellSouth had not satisfied the applicable criteria.[58]

CLEC received a jeopardy notice in advance of the scheduled appointment.

[58] *See, e.g.,* KPMG Exceptions 118 and 125 of Georgia Third-Party Test; KPMG Georgia Test Final Report, O&P-1-2-1, O&P-1-3-4 and O&P-2-2-1. KPMG closed Exception 118, which had found that BellSouth failed to return completion notices for a number of the LSRs that KPMG submitted, without conducting re-testing – and found that BellSouth had not satisfied the applicable criteria. *See* KPMG Closure Report For Exception 118 in Georgia Third-Party Test, dated May 8, 2001 (attached hereto as Attachment 37). KPMG closed Exception 125 based on the theory that complete information could be found in CSOTS, another BellSouth system. *See*

147.   Similarly, in its third-party test in Florida, KPMG found that BellSouth

was not providing timely completion notices for LSRs submitted via EDI or TAG. For example,

nearly 30 percent of the LSRs submitted via TAG were not returned within one business day

after the completion notice due date.[59]

148.   BellSouth also has failed to provide adequate completion notices because,

unlike other BOCs (including Verizon), BellSouth does not provide CLECs with billing

completion notices.[60] Such notices are critical to a CLEC, because they advise a CLEC that

posting has occurred – and thus prevent double-billing. In its *New York 271 Order,* the

Commission based its conclusion that then-Bell Atlantic provided CLECs with acceptable

completion notices on the fact that CLECs received both a provisioning completion notice

(which advises that the work has been completed) and a "billing completion" notice (which is

sent after the order is completed in Bell Atlantic's billing systems). *New York 271 Order,* ¶¶

Attachment 38. This justification ignores the critical impact of the lack of mechanized status notices on CLEC costs, and the gross inefficiencies created by this process, especially in high-volume market situations. It is simply unrealistic and discriminatory to require CLECs to seek out information that should have been provided to them automatically. Moreover, if the CLEC using electronic interfaces has not received a CN, it is likely that CSOTS would not reflect the order as having been completed, because both systems are dependent upon SOCS to indicate the order as being in completed status. Furthermore, if the CN lists an incorrect completion date, CSOTS will likely contain the same error, because SOCS is the common source for CSOTS dates, and CN dates.

[59] *See* KPMG Observation 100, dated August 6, 2001 (attached hereto as Attachment 39).

[60] Mr. Scollard states that double-billing will not occur if the CLEC's order is error-free, because notification of the completion of the work is provided to the CLEC and BellSouth's billing system at the same time. Scollard Aff., ¶ 24. This is incorrect. The completion notice sent to the CLEC is generated by SOCS when the physical and switch software work required to provision the order has been completed. This is the same point in time at which SOCS forwards the completed service order to the billing system for subsequent checking. Because the CLEC will begin billing after it receives the completion notice, but BellSouth does not revise its billing system until the completed order has been found to be error-free by the billing systems, the possibility of double-billing continues to exist whenever BellSouth's billing systems find that a completed service order contains an error.

187-188. BellSouth, however, currently provides only a provisioning CN. Until it provides *both*

types of completion notices (or reduce to a *de minimis* level the errors in completed service

orders found by its billing systems), BellSouth cannot be found to be in compliance with its OSS

obligations, because – in contrast to CLECs – BellSouth's retail operations have real-time access

to information that enables them to determine when billing of a customer may properly begin.[61]

149.   Although BellSouth provides web-based status reports, they cannot

substitute for adequate and timely status notices such as FOCs, rejection notices, and completion

notices. These reports (the PON Status Report, the Pending Facilities Report, and the CLEC

Service Order Tracking System Report) provide valuable information. *See* Stacy Aff., ¶¶ 370,

373-381; Ainsworth Aff., ¶¶ 62, 64-65. Even in combination, however, these reports fail to

cover a significant portion of the process. Specifically, the three reports do not list an order (or

its status) until BellSouth issues a FOC for the order. Thus, for example, if a CLEC submits an

LSR for which BellSouth has provided flow-through capability, but fails to receive a FOC or

rejection notice after 15 minutes (the average maximum time BellSouth takes to return either

notice for an order that flows through), BellSouth's web-based reports will not show any

information about the order, because no FOC has been issued. Thus, unless it is willing simply

to wait until a FOC or rejection notice arrives, the CLEC can ascertain the status of the order

only if it expends additional time and resources to contact the LCSC.[62]

---

[61] Mr. Scollard also errs in asserting that only a CSR would be affected by any activities to correct errors in a hold file. *See* Scollard Aff., ¶ 55. A number of BellSouth's legacy systems, including OS/DA, 911, and LMOS and not updated until CPX status is obtained. Thus, delays caused by an error check of the hold file could, for example, prevent a CLEC from submitting a trouble ticket electronically for a new customer, because LMOS would still list BellSouth as the LEC serving that customer.

[62] AT&T submitted a Change Request (CR0040) in May 2000 to address this deficiency (and others) in the various web-based status reports that BellSouth produces or makes available. *See* Attachment 40 hereto. Although the Change Request was accepted and prioritized on June 28,

150.   Finally, even leaving aside BellSouth's failure to provide timely and adequate status notices and the inadequacy of the information provided by BellSouth's web-based status reports, BellSouth is not providing parity of access because its retail operations have access to status information that BellSouth does not provide to CLECs. Specifically, BellSouth's retail operations can view a conflicting pending order, while CLECs cannot.

151.   CLECs need the ability to view any conflicting pending orders, because a conflict between a pending order and a new order could cause the cancellation, manual fall-out, or rejection of one or both orders. In fact, pending order conflicts constitute the second most frequent cause of manual fall-out by BellSouth system design and caused approximately 28% of the designed manual fallout in May 2001. Because BellSouth's retail representatives can view the conflicting pending order, BellSouth is able to resolve the underlying conflict immediately in its retail process. By contrast, because CLECs cannot view a pending order, they must wait until the LCSC reviews the order (if the LSR has fallen out for manual processing), or call the LCSC (if the LSR has been rejected back to the CLEC). This introduces costs and delay into the CLEC process that is not present in BellSouth's internal process.

152.   The ability to view pending orders is also important to CLECs because such information is useful in determining the status of orders in other situations. For example, the ability to view a pending disconnect order associated with LNP would allow a CLEC to determine whether the disconnect order had been published and whether it contained the correct due date, thus eliminating a cause of premature customer disconnects. Over the years, CLECs

---

2000, BellSouth has never set an implementation schedule. On April 25, 2001, the CLECs re-prioritized all outstanding change requests and designated the implementation of the CLEC Order Tracking System requested in CR0040 as their highest priority because of the continued inability to determine the status of their orders using BellSouth's *ad hoc* collection of reports. *See*

have initiated a number of change requests to obtain the capability to view pending LSRs.

BellSouth, however, has not yet implemented such capability.

153.   BellSouth clearly has not provided nondiscriminatory access to status

information. As was the case at the time of the *Second Louisiana Order*, BellSouth fails to

provide accurate and timely status notices. Moreover, BellSouth fails to provide CLECs with the

same access to order status information that it provides to its retail operations.

4.   BellSouth's Rate of Provisioning Accuracy Is Poor.

154.   The high rate of BellSouth-caused manual fall-out of CLEC orders,

combined with BellSouth's low accuracy rate in re-entering manually processed orders into its

systems, have clearly impaired BellSouth's ability to provision CLEC orders accurately. In its

third-party testing of BellSouth's OSS in Florida, KPMG recently concluded that BellSouth's

rate of provisioning accuracy – the percentage of LSRs for which the customer received the

services and features it ordered – is woefully inadequate.

155.   In its Exception 112, issued on October 1, 2001, KPMG concluded that

"BellSouth's systems or representatives have not consistently provisioned service and features as

specified in orders submitted by KPMG Consulting." *See* Attachment 42 hereto, at 1. KPMG

based its conclusion on a comparison of 190 CSRs as they appeared on BellSouth's systems after

completion of the ordering transactions ("post-activity CSRs"). KPMG determined whether, as

it expected, the CSRs were consistent with (1) the updated information in the LSR and (2)

information contained in the pre-activity CSR for items where the LSR did not specify updates.

Id. KPMG found that BellSouth had correctly updated *only 54 percent* of the CSRs accurately.

Attachment 41 hereto.

Id. In many of the remaining (and erroneously-updated) 46 percent of CSRs, the products and

features were inconsistent with those specified in the "pre-activity" CSR or LSR. *Id.* at 1-11.

156. The provisioning error rate of 46 percent found by KPMG constitutes

astonishingly poor performance by BellSouth. Such performance also substantially impairs the

CLECs' ability to compete. CLECs cannot hope to attract and retain customers if nearly half of

their customers do not receive the services and features that they ordered, because a customer is

likely to blame any errors in provisioning on the CLEC. As KPMG noted, "BellSouth's inability

to accurately update the information in the [CSRs] may result in a decrease in customer

satisfaction. The mishandling of customer requests will negatively impact a customer's view of

a CLEC's service quality." *Id.* at 12.

C. **Maintenance and Repair**

157. A nondiscriminatory interface for maintenance and repair would permit

AT&T to support its customers in identifying, reporting, and testing troubles, and to resolve

them with the same speed and effectiveness as BellSouth does for its own retail customers. The

interface also would provide status and "close-out" information regarding the restoration of

services. The interfaces that BellSouth currently makes available to CLECs, however, do not

meet these requirements.

158. Mr. Stacy suggests that BellSouth provides two interfaces for maintenance

and repair: BellSouth's Trouble Analysis and Facilitation Interface ("TAFI"), and the

Electronic Communication Trouble Administration ("ECTA") gateway. Stacy Aff., ¶¶ 49-51.

As BellSouth is currently offering them, however, neither of these interfaces offers

nondiscriminatory access.

159.   The Commission previously found that neither TAFI nor ECTA provided

CLECs with nondiscriminatory access to maintenance and repair functions. With respect to

TAFI, the Commission found that "TAFI does not provide nondiscriminatory access because it

cannot be used for all types of services." *Second Louisiana Order,* ¶ 149. The Commission

noted that TAFI was a "human to machine interface" that could not be integrated by CLECs into

their back-office systems. Thus, CLECs would be required to manually re-enter information

from TAFI into their own systems if they wished to store it. *Id.*, ¶¶ 151-152. Finally, the

Commission found that ECTA did not provide parity of access to CLECs, because the

functionality of ECTA was inferior to that of TAFI. *Id.,* ¶ 157.

160.   The reasons cited by the Commission for its findings remain valid today.

As Mr. Stacy admits, the functionality of ECTA (which, unlike TAFI, is an electronic bonding

interface based on industry standards) is inferior to that of TAFI.[63] Indeed, because of TAFI's

superior functionality, AT&T has repeatedly requested BellSouth since 1996 to provide TAFI

functionality through a machine-to-machine interface such as ECTA.[64] Moreover, after

BellSouth advised the Georgia Public Service Commission in June 1996 that it was investigating

the possibility of adding TAFI functionality to the existing electronic bonding interface, the PSC

---

[63] *See* Stacy Aff., ¶ 395 ("The functionality of BellSouth and CLEC TAFI is superior to the limited functionality supported by the industry for trouble reporting").

[64] Although AT&T implemented ECTA in early 1998, it was compelled to suspend implementation and deployment of the ECTA interface. Although Mr. Stacy notes AT&T's decision (Stacy Aff., ¶ 417), he conveniently omits the reason for that decision. AT&T decided not to proceed with implementation and development of ECTA because the current volume of transactions did not justify the use of the interface. Stacy OSS Aff., ¶ 417. The low volumes were due to BellSouth's failure to provide the interconnection and UNE combinations that AT&T needed for market entry, as well as the inability of resale to serve as a financially viable means of market entry. Given these circumstances, the cost of ECTA's deployment and upkeep could not be justified at that time.

ordered in July 1996 that BellSouth install the functionality by March 31, 1997.[65] BellSouth,

however, still has not done so.

161.   Mr. Stacy's description of AT&T's request for provision of TAFI

functionality through ECTA is thus highly misleading. Stacy Aff., ¶¶ 418-419. Although Mr.

Stacy suggests that AT&T did not make such a request until it submitted a change request in

April 2000 (*id.*, ¶ 418), AT&T has repeatedly requested BellSouth to implement TAFI

functionality in ECTA since 1996. AT&T filed a formal numbered change request only because

BellSouth had not implemented the functionality more than 18 months after the issuance of the

Second Louisiana Order and after nearly four years of requests by AT&T.

162.   Mr. Stacy asserts that combining the functionality of TAFI with that of

ECTA "would be an entirely new interface." *Id.*, ¶ 418. This argument borders on the frivolous.

Implementation of functionality existing in TAFI would simply result in an expansion of

ECTA's functionality.[66] In fact, BellSouth has provided via ECIA one functionality that

previously resided only in TAFI (the automatic implementation of mechanized loop tests and test

result reporting) and did so in advance of any industry standard.[67]

---

[65] *See* Georgia PSC Order, Docket No. 6352-U, dated July 2, 1996.

[66] Mr. Stacy also asserts that "AT&T would be the only CLEC using" ECTA if BellSouth
provided TAFI functionality in ECTA. Stacy Aff., ¶ 418.   However, he offers no basis for this
assertion. In fact, ECTA might be used by other CLECs if it was provided with TAFI
functionality, because it would contain enhanced functionality while enabling CLECs to
integrate the interface with their own systems. WorldCom has expressed interest in such an
interface. In any event, to the extent that Mr. Stacy is asserting that no other CLEC has actually
requested BellSouth to implement TAFI functionality in ECTA, that may be because other
CLECs are aware that, even after more than four years of requests by AT&T and an order of the
Georgia PSC, BellSouth has refused to do so.

[67] Mr. Stacy's suggestion that providing TAFI functionality over ECTA would violate industry
standards is both inaccurate and irrelevant. *See* Stacy Aff., ¶ 418. Providing functionality
beyond that included in an industry standard does not violate the standard, so long as all required
standard functionalities continue to function – and this is, in fact, the most common method by

163.   TAFI also still does not provide CLECs with nondiscriminatory access or

a meaningful opportunity to compete. As Mr. Stacy states, TAFI is used to handle trouble

reporting "for any BellSouth-provided basic exchange service (i.e., telephone number based or

non-designed services)." Stacy OSS Aff., ¶¶ 49, 394. Thus, the only UNEs for which TAFI is

available are those that can be associated with a telephone number, such as ports. For resellers,

TAFI functionality is available only for basic exchange service, often referred to as POTS (plain

old telephone service). In order to submit trouble reports for services not associated with a

telephone number, users of TAFI would either be required to submit the reports manually or

through ECTA.

164.   Even with respect to POTS, TAFI does not provide nondiscriminatory

access because, as was the case when BellSouth filed its last application with the Commission

three years ago, TAFI does not permit the CLEC's systems to be connected electronically to

BellSouth's OSS. *See* Stacy Aff., ¶¶ 49, 393 (describing TAFI as a "human-to-machine

interface"); *id.*, ¶ 397 (stating that TAFI "is not integrated with BellSouth's or CLECs' ordering

systems"). Thus, the new entrant's repair representative will be required to input the same

information from TAFI into the CLEC's own systems to update repair records, customer service

which standards are enhanced. The Commission has previously described the role of industry
standards in relation to a BOC's obligations under Section 271. Although the use of industry
standards can meet the needs of a competitive local exchange market, the absence of industry
standards does not excuse an incumbent LEC from meeting its obligation to provide
nondiscriminatory access to OSS functions. Similarly, deploying an interface that merely
adheres to industry standards is not sufficient to demonstrate that a BOC is providing
nondiscriminatory access. A BOC must provide nondiscriminatory access to its OSS functions
irrespective of the existence of, or whether it complies with, industry standards. *See, e.g.,*
Michigan 271 Order, ¶ 217; *New York 271 Order,* ¶ 88; *South Carolina 271 Order,* ¶ 121 n.362;
Second Louisiana Order, ¶137.

records, and billing records. BellSouth's representatives, on the other hand, are not required to

input data manually into two different systems.

165.   Mr. Stacy's suggestion that TAFI's lack of integratability is a problem

shared by both CLECs and BellSouth's retail operations is flatly wrong. *Id.* ¶ 397. Even if, as

Mr. Stacy asserts, the TAFI interface used by BellSouth's retail operations is not "integrated

with BellSouth's marketing and sales support systems" or with BellSouth's ordering systems

(*id.*), that is likely due to a business decision by BellSouth not to integrate TAFI with those

systems – not to any inability by BellSouth to do so. The TAFI used by BellSouth's retail

operations *is* integrated with a number of BellSouth's billing and provisioning legacy systems.

These systems include BellSouth's Customer Record Information System, its Loop Operations

Maintenance System, SWITCH, and Computer System for Mainframe Operations. In short, for

purposes of its retail operations BellSouth has simply chosen to integrate TAFI with those of its

systems to which it needs to exchange repair and maintenance data.

166.   BellSouth cannot reasonably contend that its repair and maintenance

interfaces provide parity of access. BellSouth can submit repair orders and obtain status

electronically for all of its maintenance needs. The current interfaces for CLECs fail to support

all UNEs and resale services, require substantial manual processing, or do not have the same

scope of functionality as BellSouth's own repair and maintenance interface. Such deficiencies

mean that repairs and maintenance will be provided to CLEC customers in a less timely and

accurate manner than to BellSouth's own customers, and thus deny CLECs a meaningful

opportunity to compete. Before it can be found to be providing parity of access. BellSouth must

provide CLECs with a machine-to-machine interface that includes the current functionality of

TAFI before it can be found to be in compliance with its obligation to provide parity of access to

maintenance and repair functions.

III.   BELLSOUTH HAS NOT PROVIDED CLECS WITH THE ASSISTANCE NECESSARY FOR PROPER IMPLEMENTATION OF ITS INTERFACES.

167.   Even if, as designed, a BOC's OSS would provide nondiscriminatory

access (and BellSouth's are not so designed, as I have described), they cannot do so in actual

operation unless the BOC provides CLECs with the assistance necessary to use the OSS

successfully. OSS are, by their nature, complex. Unless a CLEC knows *all* of the BOC's

requirements governing the submission of electronic orders, its orders will be rejected altogether

or fall out for manual processing. Thus, it is essential that the BOC provide the CLEC with the

documentation, including any internal business rules, containing all such requirements.

168.   Even if a CLEC receives the necessary documentation when it initially

submits orders, however, it is essential that the BOC provide — and adhere to — a change

control process that provides an effective way for implementing changes to the OSS without

disrupting the CLEC's operations. Like other technology, a BOC's OSS are dynamic and

constantly changing. Even relatively modest changes by a BOC to its OSS could result in

rejection of CLEC orders, unless the CLEC is provided with advance notice, consultation, and

documentation. Similarly, when problems or defects in the OSS exist, CLECs must have a

procedure that gives them an effective opportunity to obtain modifications or corrections to the

OSS. As part of that change control process, CLECs need access to a stable testing environment

that will enable them to determine, prior to actual implementation of a change, whether their

systems will interact smoothly and effectively with the BOC's OSS as modified.

169.   The Commission, recognizing these principles, has held that a BOC can

meet its OSS obligations only if it is "adequately assisting competing carriers to understand how

to implement and use all of the OSS functions available to them." *Michigan 271 Order*, ¶ 136.

"By showing that it adequately assists competing carriers to use available OSS functions, a BOC

provides evidence that it offers an efficient competitor a meaningful opportunity to compete."

Texas 271 Order, ¶ 106. BellSouth, however, has not consistently provided such assistance.

BellSouth has neither implemented nor followed an effective change control procedure. Nor has

BellSouth implemented a stable test environment for CLECs. Moreover, BellSouth still fails to

provide CLECs with adequate business rules and other documentation that CLECs need for

proper implementation and use of the OSS functions.

> **A.** **BellSouth Has Neither Established, Nor Adhered To, an Adequate Change Control Process.**

> 170. The Commission has stated that in evaluating whether a Section 271

applicant provides CLECs with a meaningful opportunity to compete, it "will give substantial

consideration to the existence of an adequate change management process and evidence that the

BOC has adhered to this process over time." *Texas 271 Order*, ¶ 106; *New York 271 Order*, ¶

102. The Commission has also recognized that the absence of an effective change management

process can be exploited by a BOC to eliminate competition:

> > Without a change management process in place, a BOC can impose substantial costs on competing carriers simply by making changes to its systems and interfaces without providing adequate testing opportunities and accurate and timely notice and documentation of the changes.[68]

Even if an otherwise adequate change management process is in place, a BOC can still impose

substantial costs and hardship on competing CLECs simply by failing to adhere to that process.

---

[68] *New York 271 Order*, ¶ 103; *Texas 271 Order*, ¶ 106.

171.   The Commission has stated that in assessing whether a change

management plan affords an efficient competitor an opportunity to compete, it will first

determine whether the plan is adequate, by assessing whether the evidence demonstrates:

- That information relating to the change management process is clearly organized and readily accessible to CLECs;

- That CLECs had "substantial input in the design and continued operation of the change management process";

- That the change management plan defines a procedure "for the timely resolution of change management disputes";

- The availability of a stable testing environment that mirrors production; and

- The efficacy of the documentation that the BOC makes available for the purpose of building an electronic gateway.

Pennsylvania 271 Order, App C, ¶ 42; *Texas 271 Order*, ¶ 108. After determining whether the

BOC's plan is adequate, the Commission evaluates "whether the BOC has demonstrated a

pattern of compliance with this plan." *Id.*

172.   BellSouth's change management process plainly fails to meet these

requirements, because it is inadequate under the Commission's criteria. First, CLECs have been

denied meaningful input in the design and operation of the change control process. Second, the

process does not provide a procedure for the timely resolution of change management disputes.

Third, BellSouth does not provide a stable testing environment that mirrors production. Fourth,

BellSouth does not provide adequate documentation. In addition, BellSouth has consistently

failed to comply with the change management process.

1.   CLECs Have Not Had Substantial Input In the Design and Operation of the Change Control Process.

173.   BellSouth's change control plan does not give CLECs "substantial input

into the design and continued operation of the change management process." Although

BellSouth asserts that "CLECs have had substantial input into the process throughout," that simply is incorrect. *See* Application at 91. From the beginning, BellSouth has determined the terms of the process.

174.   Mr. Stacy, for example, asserts that CLECs "developed, approved, and signed" the original EICCP document. Stacy Aff., ¶ 97. Contrary to Mr. Stacy's suggestion, however, the terms of the process were effectively dictated by BellSouth. Any terms proposed by the CLECs that BellSouth found unacceptable were not adopted for the process. The CLECs "agreed" to the terms of the process only because, unless they did so, there would have been no change management process at all.[69]

175.   As adopted, the change management process in BellSouth's region gives BellSouth the sole power to decide what changes shall be implemented, and when. First, the process gives BellSouth a "veto power" that it uses to deny CLECs the benefits of a fair and effective change control process ("CCP"). Although BellSouth maintains a CCP, produces a written Change Control Document, and allows CLECs to provide "input" to the document and the process, it is not required to implement any CLEC's change request. Instead, BellSouth retains an absolute veto power over the process and the document. No change can be made unless BellSouth consents to it. There is no provision in the Change Control Document that requires BellSouth to comply with changes or improvements requested by CLECs, even if such requests are reasonable, overwhelmingly supported by the CLECs, and necessary to avoid discrimination. Thus, the Change Control Process is not an effective tool by which CLECs can bring about changes to BellSouth's OSS that are necessary in order to obtain a meaningful opportunity to compete.

---

[69] As Mr. Stacy acknowledges, neither the Georgia nor the Louisiana PSC oversaw the

176.   Although BellSouth denies that it has a veto power, its own discussion of the issue acknowledges exactly that. Application at 93 n.76; Stacy Aff., ¶ 138. BellSouth states that "to the extent BellSouth can reject change requests, *which it can pursuant to the terms of the CCP*, the escalation and dispute resolution procedures included in the CCP are more than adequate to protect CLECs' interests." *Id.* (emphasis added). The italicized language simply confirms that change requests cannot be approved without BellSouth's consent.

177.   In fact, BellSouth has vetoed the vote of every contested ballot (a ballot that involves a disputed issue over changes to the change control process).[70] In every such case, BellSouth has vetoed the results of the vote and implemented its position on the contested ballot instead of the position that "won" the ballot. Thus, the voting process has no substance. Regardless of the vote, BellSouth will implement, or not implement, the requested change as it sees fit.

178.   For example, AT&T filed a Change Request on September 9, 2000, requesting amendments to the Change Control Process. Other CLECs concurred with the request on October 27, 2000. After a four-month series of meetings, BellSouth agreed to allow a ballot on a number of the requested changes in January 2001. The CLECs and BellSouth each submitted proposed language. The ballot that ultimately was distributed included 34 issues,

_____

development of the change control process. Stacy Aff., ¶ 102.

[70] Section 9 of the CCP document provides for a balloting process when disputes arise over proposed changes to the change control process itself. However, no balloting procedure is provided for disputes over proposed changes to BellSouth's OSS. *See* Stacy Aff., OSS-39 at 64-65. Even the balloting process for proposed changes to the CCP gives BellSouth a veto over such changes. Although the CLECs may cast ballots, the CCP document provides that "BellSouth may not be able to support all requested changes to the process as proposed. BellSouth will provide a supporting reason(s) to substantiate its position." *Id.*, OSS-39 at 65. In other words, BellSouth can veto a proposed change to the CCP as long as it provides some reason for its decision, no matter how unreasonable the reason may be.

seven of which were the subject of disagreement between BellSouth and CLECs. Both

BellSouth and the CLECs submitted their desired language on each of the seven issues, and all

parties, including BellSouth, were invited to vote. Despite the fact that *no* CLEC supported

BellSouth's position on these seven issues, BellSouth vetoed the CLEC's vote. It should be

noted that many of these issues were simply policy issues that did not require BellSouth to make

any changes to its systems or processes.

179.   Mr. Stacy disputes my example, asserting that six of the seven contested

items were ultimately passed, and one item "is still under discussion." Stacy Aff., ¶ 138. That is

incorrect. In March 2001, at the first CCP meeting that it had with CLECs since it vetoed the

seven items, BellSouth presented two of the items with new language that it had adopted

unilaterally, two other items with language to which the CLECs and BellSouth had agreed, and

one item that was subsumed into the agreed-upon items. The CLECs consented to these items

because BellSouth was only willing to agree to them in that form. The two remaining vetoed

items – which proposed changes in the timelines for correcting defects and dispute resolution

procedures – have never been addressed since BellSouth's initial veto.

180.   Mr. Stacy also fails to mention that BellSouth has vetoed four *additional*

proposed changes to the CCP since it vetoed the seven other proposed changes in January.

Following the June 2001 meeting, balloting was conducted which involved the first contested

items since the January 2001 meeting. BellSouth vetoed the CLECs' vote for all four contested

proposals (Items 1, 2, 4, and 23). In short, BellSouth has already vetoed eleven items this year

alone.[71]

---

[71] In its July 2001, balloting was held on a single consensus item removing BellSouth as a voting
participant in the Section 9 balloting process. BellSouth's concurrence with this item reflects its
view that, given its veto power, casting a negative vote on any proposal it opposed is

181.   The CCP also gives BellSouth veto power in the form of control of the

agenda of the change management meetings. No item will be listed on the agenda without

BellSouth's approval, and BellSouth can alter the agenda at its will. For example, BellSouth

refused to include certain items related to observations and exceptions filed by KPMG in the

Florida third-party test that CLECs had requested for the agenda of the July 25, 2001 Monthly

Status Meeting and the August 14, 2001 Monthly Status Meeting. At both meetings, however,

BellSouth reversed course and announced that it *would* permit consideration of the previously-

excluded items at the meetings. BellSouth then produced a subject matter expert, who made a

presentation – and then refused to answer any questions from CLECs.

182.   <u>Second</u>, as part of its veto power, BellSouth makes the final decision

regarding the prioritization of proposed changes. Although the CCP provides that CLECs will

prioritize requested changes to the OSS, BellSouth is not required to implement the requested

change, much less follow the priorities proposed by the CLECs.

183.   Moreover, the internal process by which BellSouth decides the

prioritization of changes wholly excludes participation by CLECs. Although the change control

process has been in effect since 1998, only recently did CLECs learn – as a result of the Florida

third-party testing – that BellSouth has four internal groups (regulatory, third party test, LCSC,

and project managers) that generate OSS change requests. These change requests are not

disclosed to CLECs. Rather, these changes are submitted to an internal BellSouth team. That

team (the Release Prioritization Team) creates an initial "master prioritization list" by taking the

highest priority of each group and giving each change a new relative priority (for example,

regulatory changes are ranked one, third-party test is ranked two, LCSC is ranked three, project

unnecessary.

manager is ranked four, and CLEC is ranked five). That process continues to be repeated for the

next highest priority for each group. After it prioritizes the changes, the Release Prioritization

Team sends a list of the 30 highest-ranking change requests to the BellSouth IT Team.[72] The IT

Team then makes the final decision on implementation, adjusting the list as it sees fit.

184.   Thus, as a practical matter, the CLECs' prioritization of changes has little,

if any, impact on BellSouth's implementation decisions. BellSouth decides which changes shall

be implemented, and when, regardless of the desires of the CLECs.

185.   Third, once it schedules implementation of a change, BellSouth alone

decides whether the change will be implemented as scheduled. In the region served by

Southwestern Bell, SWBT's change control process contains a process – commonly known as

the "go/no go" vote – under which CLECs decide whether or not to implement a new release.

This procedure ensures that a release will not go forward if, while testing the proposed release,

CLECs discover that they cannot submit orders successfully. In its decision approving SWBT's

Section 271 application for Texas, the Commission approvingly cited SWBT's go/no go vote

procedure as one of the elements of SWBT's change management process that "provide

assurances that changes to existing OSS interfaces will not disrupt competing carriers' use of

SWBT's OSS." *Texas 271 Order*, ¶ 112.

186.   BellSouth, by contrast, has refused to adopt a "go/no go" procedure

similar to SWBT's – and thus decides alone whether a new release will go forward on schedule.

Mr. Stacy suggests that such a policy is unnecessary, because BellSouth's versioning policy of

supporting two industry standard versions of the interface at all times "does not force CLECs to

---

[72] Although BellSouth has asserted that a list of the remaining change requests is also provided
to the IT Team, as a practical matter the team considers only the 30 highest-ranking requests (as
KPMG recognized in the observation, discussed below, that it has issued regarding this practice

switch." Stacy Aff., ¶ 151. Mr. Stacy is wrong. BellSouth's versioning policy only applies to

an industry standard release. It does not apply, for example, to a BellSouth release that modifies

an industry standard.[73] In such circumstances, the CLEC would be able to ensure against

problems caused by BellSouth-imposed changes only if BellSouth provided an adequate and

stable test environment – which, as described below, it does not. In fact, AT&T experienced

problems in its systems in connection with BellSouth's modifications to industry standard

releases in August 2000, February 2001, and July 2001 because of the unavailability of a suitable

test environment.

187.   Because the CCP gives BellSouth a veto power, control of prioritization,

and the power to decide (alone) whether a change proposed by BellSouth will be implemented as

scheduled, the CCP precludes any meaningful input by CLECs into the design and continued

operation of the change management process. Instead, BellSouth has exploited its power under

the CCP in a variety of exclusionary ways.

188.   **Limited CLEC Input in Prioritization Decisions.** Although the CCP

provides for the setting of priorities by CLECs, CLECs have had very limited opportunity even

to have input in prioritization decisions. Rarely does BellSouth submit change requests to the

CLECs for prioritization. CLECs had prioritization input for only 15 of the 73 change requests

---

in the Florida third-party testing).

[73] *See, e.g.,* Stacy Exh. OSS-39, App. D at 1 (CCP document) (stating that versioning policy applies "when BellSouth is implementing an entirely new version of an interface based on new industry standards, not when BellSouth is simply enhancing an existing interface"). Even if BellSouth's versioning policy is identical to Verizon's, as Mr. Stacy asserts (Stacy Aff., ¶ 151), his comparison of the two BOCs is misplaced. In its decision approving then-Bell Atlantic's 271 application for New York, the Commission did not find Bell Atlantic's versioning policy to be adequate by itself. The Commission emphasized that Bell Atlantic made an adequate, stable test environment available to CLECs. *New York 271 Order,* ¶¶ 109-110. As described below, BellSouth's test environment – unlike Verizon's – is both unstable and inadequate.

that BellSouth implemented in 2000 and 2001 – or scarcely more than 20 percent of the total.

Although 41 of the 58 remaining changes have been described as "defect changes,"[74] BellSouth

has provided insufficient information to enable CLECs to determine whether any, or all, of the

41 changes meet that description. Even if BellSouth's description is correct, CLECs were denied

prioritization input for 17 changes (or more than half of the clearly non-defect changes), 13 of

which were BellSouth-initiated changes. *See* Attachment 43 hereto.

189.   BellSouth further limits CLEC input into prioritization decisions by

denying CLECs the opportunity to discuss change requests directly with the BellSouth

management personnel who ultimately decide whether to implement them. CLECs must present

their requests to a BellSouth "go-between" who then meets with the internal BellSouth teams

responsible for accepting or rejecting the request – including the "IT Team" that makes the final

decision. This further reduces the value of the CCP to CLECs.

190.   **Failure of BellSouth To Address Most CLEC Change Requests.**

BellSouth reacts to most change requests simply by taking no action on them. BellSouth has

prioritized only 65 of the 343 change requests that have been submitted (and not cancelled)

during 2000 and 2001. Thus, 278 of the requests – or more than three-quarters of the total –

have yet to be prioritized. A comparison of these prioritized and non-prioritized requests is set

forth in the tables attached hereto as Attachment 43.[75]

---

[74] *See* tables attached hereto as Attachment 43. A "defect change" is a change that BellSouth
makes to correct a problem that arises with its existing systems, as opposed to a modification of
those systems. Under the CCP, defect changes are not required to be reviewed by CLECs for
proposed prioritization.

[75] Examples of capabilities requested by CLECs under the CCP but unaddressed by BellSouth
include: the ability to correct listings dropped from 411 records and parsed CSRs (discussed
above); the ability to change the main account telephone number; the ability to perform certain
types of partial migrations; the ability to combine existing accounts; the ability to obtain
connecting facility information and information on existing loops in pre-ordering; the ability to

191.   **Slow Implementation of Change Requests and Favoritism by**

BellSouth. Even when change request is finally prioritized, BellSouth is slow to implement it.

Of 65 change requests prioritized in 2000 and 2001, only 15 (or 24 percent of the total) have

been implemented. Of the remaining 50 change requests, BellSouth has not committed to an

implementation date for 45 of them (73 percent of the total prioritized change requests).

BellSouth has scheduled implementation for only *two* of the change requests (for January 5,

2002), and three have been cancelled. A description of the status of these requests is set forth in

the tables attached hereto as Attachment 43.

192.   Implementation times for change requests are long. An average of 7

months pass after a change request has been prioritized before it is actually implemented. By

contrast, for the 13 change requests that were initiated by BellSouth and were *not* prioritized, the

average installation interval was only 9 weeks – or less than one-third of the installation time for

prioritized change requests.

193.   The disparity in installation times reflects only part of a pattern of

favoritism by BellSouth in favor of the change requests that it has initiated over CLEC-initiated

change requests. For example, in 2000 and 2001 BellSouth implemented 18 BellSouth-initiated

change requests, but only 10 CLEC-initiated change requests.[76]

---

related multiple orders for a single customer; the ability to order enhanced extended loops
("EELs"); the ability to create new listings in LENS; flow-through for specific types of orders;
the ability to edit a LENS LSR to remove a telephone number; the ability to request specific
status notifications from BellSouth; the ability to change the number of directories to be
delivered to a customer in LENS; correction of programming that returns errors incorrectly; and
correction and clarification of documentation errors. BellSouth is able to perform each of these
transactions in its retail operations – thus denying parity to the CLECs.

[76] An additional 4 change requests to implement regulatory mandates, and 41 "defect change
requests" were implemented during this period.

194. BellSouth manifests its preferential treatment of its own change requests in other ways. For example, BellSouth submitted four "Type 4" (BellSouth initiated) change requests on November 13, 2000. BellSouth targeted these changes for implementation in November 2000, in violation of the Change Control Process. None of the requests were scheduled for or subject to a prioritization review, as is required for all non-defect change requests. Various CCP log entries reflect that three of the four change requests were implemented as of December 20, 2000, but there is no record whatsoever of the fourth BellSouth change request. Although only "fixes" for defects are entitled to this "fast track" treatment, BellSouth treated its own change requests in this preferential fashion.

195. BellSouth's preferential treatment cannot reasonably be regarded as an isolated incident. In 2000, after submitting no change requests in 1998 or 1999, BellSouth's became the largest initiator of change requests. Although BellSouth submitted only 41% of all requests, while the 100 participating CLECs submitted the remaining 59%, BellSouth change requests constituted 53% of all implemented requests in 2000. Additionally, 67% of all BellSouth-submitted change requests in 2000 were implemented, scheduled for implementation, or reached pending status, while only 46% of the CLEC-submitted requests received similar treatment. As previously stated, that pattern has continued in 2001, when BellSouth has implemented almost twice as many change requests that it initiated than those initiated by CLECs. BellSouth's favoritism simply illustrates the failure of the CCP to permit meaningful input by CLECs into the process.

196. The lack of meaningful CLEC input in the change control process has been cited by KPMG as deficiencies in BellSouth's OSS during the current third-party OSS test that KPMG is conducting in Florida. KPMG considered BellSouth's internal prioritization

process to be so exclusionary and arbitrary that it has issued two separate exceptions and an

observation report concerning the process.

197.   In its first Exception Report on the prioritization process, KPMG

criticized BellSouth's internal prioritization process because it "does not allow CLECs to be

involved in prioritization of all CLEC impacting Change Requests."[77] This policy, KPMG

stated, "inhibits one of the primary objectives of the CCP 'to allow for mutual impact assessment

and resource planning to manage and schedule changes.'"[78]

198.   In a second exception issued more recently, KPMG criticized the internal

BellSouth prioritization process because BellSouth's documentation provided no criteria

governing the IT Team's decisions. As KPMG noted, the absence of such documentation may

result in inconsistent implementation or disregard of change requests by the IT Team.[79]

199.   KPMG's Report on Observation 86 criticized the Release Management

Team's policy of providing only the thirty highest-ranking change request to the BellSouth IT

Team. This policy, KPMG found, "appears to limit the number of CLEC Change Requests that

can be implemented."[80]

200.   The two KPMG exceptions and observation have not been closed, because

BellSouth has taken no action to remove the deficiencies noted by KPMG. In fact, in response

---

[77] KPMG Exception report on Exception 88, dated July 19, 2001, at 1 (attached hereto as
Attachment 44).

[78] *Id.* at 2.

[79] KPMG Exception Report on Exception 106, dated August 29, 2001 (attached hereto as
Attachment 45).

[80] KPMG Observation Report on Observation 86, issued July 11, 2001 (attached hereto as
Attachment 46).

to one of the exceptions, BellSouth simply cited its veto power, saying: "Mandates are not

prioritized by the CLECs per the Change Control Process."[81]

2.   The Scope of the Change Control Process Is Inadequate.

201.   Even leaving aside its failure to permit meaningful participation by

CLECs, the CCP is inadequate in scope. BellSouth interprets the CCP to encompass only

interfaces – and not, for example, LEO and LESOG, which are the editing and formatting

systems on BellSouth's side of the gateway.[82] The exclusion of LEO and LESOG from the CCP

considerably limits its scope, because many of the changes that affect CLECs are those that

BellSouth makes in LEO and LESOG (and in other linkage and legacy systems).

202.   The limitation of the scope of the CCP to interfaces has enabled BellSouth

to decide on changes to its systems without the knowledge of the CLECs. AT&T recently

learned through discovery in State Section 271 proceedings that BellSouth has plans to replace

many existing OSS within the next eighteen months, but BellSouth has kept these plans secret by

asserting that the information is proprietary. BellSouth adamantly maintains that these OSS

changes are not be a part of the CCP. These changes, however, will likely have a major impact

on CLEC operations.

203.   Furthermore, BellSouth takes the position that the development of new

interfaces does not come under the CCP. Stacy Aff., ¶ 141. Although Mr. Stacy justifies this

---

[81] BellSouth response to KPMG Exception 88, at 3.

[82] The Commission has held that a BOC's duty to provide OSS functionality on a nondiscriminatory basis necessarily includes several components, beginning with (1) a point of interface (or gateway); (2) any electronic or manual processing links (transmission links) between that interface and the BOC's internal operations support systems (including all necessary back office systems and personnel); and (3) all of the internal operations support systems (or "legacy systems") that a BOC uses in providing network elements and resale services to a competing carrier. *Michigan 271 Order,* ¶ 134; *South Carolina 271 Order,* ¶ 111 n.337.

exclusion on the ground that BellSouth needs the flexibility to develop interfaces to meet

industry standards and regulatory requirements, the development and selection of interfaces is

also a matter of critical concern for CLECs. CLECs are concerned, for example, with whether

an interface will be application-to application or machine-to-machine, and whether the interface

will contain certain functionality. BellSouth's selection and development of a particular

interface could affect the CLEC's ability to place orders, and the scope of the services that the

CLEC can order. The exclusion of interface development from the CCP thus creates the

possibility that BellSouth will implement a new interface that is unsuitable for CLECs' needs. In

fact, the TAG interface, the LNP order processing, and xDSL order processing – which were

implemented outside the CCP – all entered production with defects detrimental to CLECs'

operations (such as unanticipated rejections and manual fall-out). BellSouth, however, has

refused to consider these new processes to be under the CCP for up to a year after they enter

production, further impacting the CLECs and masking the defects of these processes.[83]

204.   BellSouth further limits the scope of the CCP by taking the position that

replacement of its OSS is not part of the CCP. For example, AT&T learned through discovery

that BellSouth has plans to replace many existing OSS within the next eighteen months, but

BellSouth has kept these plans secret by asserting that the information is proprietary These

changes, however, will likely have a major impact on CLEC operations.

205.   Although the CCP document states that the CCP encompasses billing,[84]

BellSouth has taken the position that it does *not* consider the CCP applicable to changes that it

---

[83] For example, Mr. Stacy states that TAG became subject to the CCP on August 1, 1999. Stacy Aff., ¶ 146. However, according to Mr. Stacy, TAG pre-ordering became available on August 31, 1998, and TAG ordering since November 1, 1988. *Id.,* ¶ 33.

[84] *See* Stacy Aff., OSS-39 at 16 (CCP document, stating that one objective of the CCP is to support industry guidelines that affect electronic interfaces and manual processes relative to

makes in its billing systems. Changes in BellSouth's billing systems would be important to

CLECs in any case, since inaccurate billing by BellSouth can result in customer dissatisfaction

and lost revenues. The exclusion of billing from the CCP is particularly important, however,

because BellSouth has announced plans to change its billing systems – a process that, due to

BellSouth's position, will not involve participation by CLECs. In view of the clear language of

the CCP, there is no basis for the exclusion of billing from the process.

206. Finally, BellSouth limits the number of its releases implementing change

requests to three each year. This limitation is plainly unreasonable, because it often requires

CLECs to wait for months before BellSouth implements a change that they urgently need. The

size and timing of releases should be driven by demand and CLEC need.

> **3.   The CCP Fails To Provide a Procedure for the Timely Resolution of
> Change Management Disputes.**

207. Contrary to Mr. Stacy's assertion, the CCP does not include a procedure

for the timely resolution of change management disputes. Stacy Aff., ¶ 135. The CCP provides

that the CLEC may escalate an issue to higher levels of BellSouth's management, and that if the

issue is not resolved through escalation the CLEC may file a formal complaint with the

appropriate State regulatory agency (or can request mediation through the State PSC, "if

available"). *Id.*, ¶¶ 135-137.

208. The CCP's procedures are inadequate. Although the escalation process is

subject to time deadlines, the CCP does not (and cannot) impose any time limitation on the state

regulatory agency for a decision on a formal complaint or mediation requested by a CLEC. *Id.*,

OSS-39 at 59-63. Thus, if a CLEC pursues dispute resolution procedures following an

---

"order, pre-order, maintenance, and billing as appropriate").

unsuccessful resolution of its change request, it has no way of knowing when the agency will

resolve the complaint or mediation. That process could take several months, or longer. As the

Commission clearly recognized in making a procedure for the *timely* resolution of disputes, a

process that fails to ensure that disputes are resolved expeditiously is deprived of its

effectiveness.[85]

4. BellSouth Fails To Provide an Adequate and Stable Test Environment.

209.   The Commission's analysis of the adequacy of a BOC's test environment

reflects its recognition that such an environment is an essential prerequisite of any effective

change control process. CLECs "need access to a stable testing environment to certify that their

OSS will be capable of interacting smoothly and effectively with the BOC's OSS as it may be

modified as a result of systems changes." *New York 271 Order*, ¶ 109. Thus, under the

Commission's rulings, "prior to issuing a new software release or upgrade, the BOC must

provide a testing environment that mirrors the production environment," so that CLECs can

adequately test the new release." Without such a "mirror-image" environment, there is a risk

that CLECs – after implementation of a new release – "may be unable to process orders

accurately and unable to provision new customer services without delays." *Id.*

---

[85] The BellSouth dispute resolution procedure suffers from other deficiencies. First, no
procedures have been established by any of the state regulatory agencies concerning complaints
or requests for mediation filed under the procedure with them. Second, the efficacy of a dispute
resolution procedure depends on the good faith of both BellSouth and the CLECs. In AT&T's
experience, BellSouth has not shown such good faith. In late 2000, after it had escalated the
matter through three levels of BellSouth's management, AT&T raised with the Staff of the
Georgia PSC the problems caused by BellSouth's Issue 9G of the BellSouth Business Rules for
Local Ordering ("BBR-LO"), which required CLECs to make coding changes in less than 30
days – and which BellSouth had not submitted under the CCP. AT&T prepared a complaint that
it intended to file with the PSC. After pre-advocacy meetings with the Staff and Commissioner
Burgess of the PSC, BellSouth agreed not to implement the changes that would have required
coding changes. AT&T then decided not to file a complaint. However, BellSouth then reneged

210.   Despite Mr. Stacy's lengthy discussion of the issue (Stacy Aff., ¶¶ 152-

180), neither BellSouth's "original" test environment nor its new CLEC Application Verification

Environment ("CAVE") provides an adequate and stable test environment. Unlike the test

environment of then-Bell Atlantic that the Commission found acceptable in its *New York 271

Order,* BellSouth's current "original" testing environment is not physically segregated from the

production environment, and therefore cannot be used for new release beta testing without

placing normal CLEC transactions in jeopardy.[86] Because the "original" test environment

handles test transactions and production transactions together, a catastrophic failure of a test

transaction can result in the interruption of production processing.[87]

211.   Even leaving aside this deficiency, BellSouth's "original" test

environment is neither adequate or stable. That environment does not mirror the production

environment because it is not an "end-to-end" process – and thus does not enable a CLEC to

ensure that its test transactions can be processed on an end-to-end basis by BellSouth's systems.

In such an environment, the CLEC will be able only to verify that the interface it has built will

exchange messages with BellSouth's interfaces. It does not enable the CLEC to determine

whether the messages will be processed accurately.

212.   KPMG found this deficiency so serious that it issued an Exception in the

third-party Florida testing, finding that the "original" test environment did not constitute "an

---

on its promise and implemented the changes.

[86] *See New York 271 Order*, ¶ 110 (noting that Bell Atlantic's testing environment "mirrors production and provides a physically separate environment for competing carrier testing").

[87] Mr. Stacy incorrectly implies that new releases are internally tested by BellSouth and that CLECs may test in the same non-production testing environment as BellSouth. Stacy Aff., ¶ 155. The only time BellSouth allowed CLECs to do so was in connection with BellSouth's OSS99 upgrade.

appropriate process, methodology and robust test environment for testing of the [EDI]

interface."[88] As KPMG noted, this deficiency inhibits a CLEC's ability to detect deficiencies in

its interface, and would impact "a CLEC's ability to develop and deliver uninterrupted service to

its customers."[89]

213.   The "original" test environment is also inadequate because it can be used

only for implementing a new interface (including a conversion from one industry standard

version of an interface to another). *See* Stacy Aff., ¶ 152. It cannot be used to test changes to an

existing interface.

214.   CAVE, the other testing environment that BellSouth offers, suffers from

inadequacies of its own that preclude it from constituting an adequate and stable test

environment. As Mr. Stacy notes, AT&T conducted beta testing of CAVE that ended in August

2001. Stacy Aff., ¶ 169. However, his suggestion that the testing was "successful" is, at best,

highly misleading. *Id.* AT&T discovered numerous deficiencies in CAVE during its beta

testing. A copy of AT&T's summaries describing the problems that it encountered are attached

hereto as Attachment 48.

215.   Specifically, AT&T found that CAVE does not mirror BellSouth's

production requirement because:

- BellSouth required that AT&T submit orders using codes identifying the
  transactions as *BellSouth*-originated, not AT&T-originated. As a result of this
  requirement, the test environment does not mirror the production
  environment. A CLEC needs to test orders using its own coding of its side of
  the gateway and its systems that "feed" its side of the gateway. When it uses
  BellSouth's ordering codes, the CLEC has no assurance that orders with its
  own codes can be submitted successfully. Moreover, in order to use

---

[88] KPMG Exception Report on Amended Exception 6, dated November 3, 2000 (attached hereto
as Attachment 47).

[89] *Id.* at 3.

BellSouth's codes, the CLEC must either reprogram its systems or enter the codes manually on LSRs. Either method requires a substantial dedication of time and resources.

- BellSouth limits users of CAVE to certain test scenarios that it has pre-approved. Thus, AT&T was unable to test all of the orders for all of the products and features that it intended to send in commercial production.

- CAVE was available for only one of the two versions of EDI that AT&T uses in production.

216.   In addition, AT&T found that BellSouth imposed unreasonable conditions on users of CAVE. BellSouth allows only 10 CLECs to use CAVE simultaneously. This limitation does not reflect the true production environment, where far more than 10 CLECs can, and do, place orders simultaneously. BellSouth also limits the use of CAVE by CLECs to 30 days prior to, and 30 days after, BellSouth implements a software release. There is no justification for limiting the availability of CAVE to such a short period.

217.   AT&T reported these deficiencies in CAVE to BellSouth on September 18, 2001. A copy of AT&T's e-mail message is attached hereto as Attachment 49. Because CAVE fell so short of reflecting the production environment, AT&T requested that BellSouth reopen its previously-closed change request for a test environment that mirrored the production environment. *Id.* In response to AT&T's message, BellSouth did not deny the problems that AT&T noted. A copy of BellSouth's September 25, 2001 message is attached hereto as Attachment 50.

218.   BellSouth has not eliminated any of the deficiencies in CAVE. Instead, it has imposed a "moratorium" on the use of CAVE until December 10, 2001. Stacy Aff., ¶ 179. Mr. Stacy states that the purpose of this moratorium is "to provide additional functionality to mirror production" – a clear admission that CAVE currently does not mirror the production environment. *Id.*

219.   Even if CAVE mirrored the production environment, it is inadequate as a test environment because BellSouth has excluded the LENS and RoboTAG™ interfaces from CAVE. Neither the fact that LENS and RoboTAG™ are "human-to-machine" interfaces, nor the fact that they are totally programmed for the CLECs by BellSouth, justifies their exclusion from the CAVE testing arrangement. BellSouth's programming has never been demonstrated to be error-free. There is simply no reason why CLECs using these interfaces should be forced to perform live testing on their customers' orders to find BellSouth's programming errors associated with new releases. The exclusion of LENS is particularly inappropriate, since LENS presently carries almost two-thirds of all CLEC requests for service.

220.   The exclusion of RoboTAG™ is also highly improper, because RoboTAG™ is not simply a human-to-machine interface: it is integratable and was designed by BellSouth specifically to be integratable. Thus, an error in BellSouth's programming of a new release in RoboTAG™ has the potential of forcing a CLEC to use manual processes to submit orders – a risk that BellSouth should not be allowed to impose on its competitors.

221.   BellSouth's deliberate exclusion of these two interfaces from CAVE is highly discriminatory. Although Mr. Stacy suggests that this exclusion has not been challenged by AT&T through escalation and dispute resolution processes (Stacy Aff., ¶ 177), the exclusion was protested by CLECs during the few opportunities for input to the CAVE development process permitted by BellSouth. *See* Attachment 51 hereto, at 3.

222.   The CLECs' need for an adequate test environment is critical. The lack of such an environment, for example, had a negative impact on CLEC operations with the implementation of several software point releases during 2000. Immediate defect correction was

necessary following the implementation of releases 7.1, 8.0, and 9.0, and some defects were still

open even after the implementation of 8.0 and 9.0.

5. BellSouth Does Not Provide Adequate OSS Documentation.

223.   BellSouth offers no evidence that it provides adequate, complete, and

reliable documentation for the purpose of building an electronic gateway. For the most part,

BellSouth simply gives a brief description of its various OSS documentation and attaches them

to its application. Stacy Aff., ¶¶ 54-76 & OSS-3 – OSS-28.

224.   The "best proof" that BellSouth offers of the adequacy of its OSS

documentation is "the number of CLECs using the electronic OSS." Application at 90.

BellSouth, however, equates (and confuses) the ability to build and use an interface with the

ability to place orders successfully and efficiently. Even if a CLEC is able to build an interface

using BellSouth's documentation, it may still experience rejection or manual fall-out of its orders

if the business rules are not adequate.

225.   BellSouth also relies on the results of the KPMG Georgia test as evidence

of the adequacy of its documentation. *See* Stacy Aff., ¶ 54. BellSouth's reliance on the Georgia

third-party test is misplaced. In its report, KPMG concedes that it did not conduct a

comprehensive review of the substance or quality of BellSouth's documentation. With respect to

EDI Documentation, for example, KPMG notes in the MTP Final Report (page V-H-1):

> This test was a high-level review to determine the degree to which
> documentation prepared and distributed by BellSouth was subject
> to acceptable management and business practices, as defined in the
> evaluation criteria. The evaluation was not a comprehensive
> review of the content accuracy of all BellSouth OSS-related
> documentation. Rather, it focused primarily on the ordering
> business rules. The Georgia Public Service Commission's (GPSC)
> May 20, 1999 Order authorizing third-party testing did not call for
> development of an EDI order interface; therefore, documentation

pertaining to interface development (*e.g.*, Local Exchange
Ordering [LEO] Guide 4) was not formally reviewed.

Similar language occurs in the other relevant sections of the MTP Final Report.

226.   The Georgia test did not evaluate the pre-ordering and ordering

functionality and documentation for the most current version of its interfaces -- OSS99 -- that

went into production in January, 2000.   For example, KPMG either did not review the

following documents, or reviewed the documents only as they relate to the pre-OSS99 interfaces:

- BellSouth Start-Up Guide

- BellSouth Pre-Ordering and Ordering Overview Guide

- BellSouth Pre-Order Business Rules

- BellSouth Pre-Order Business Rules Appendix

- BellSouth Pre-Order Business Rules Data Dictionary

- BellSouth Business Rules for Local Ordering

- BellSouth EDI Specifications

- LENS User Guide

- Local Exchange Ordering Guide Volume 4

- Local Service Request Error Messages

- TAG API Reference Guide

227.   Furthermore , in the ongoing Florida third-party OSS test, KPMG has

already found that BellSouth's documentation is inadequate in numerous respects. For example,

in the Florida test KPMG has determined that:

- Issue 9K of the BellSouth Business Rules for Local Ordering ("BBR-LO")
  does not provide specific business rules on how to issue an order for the
  partial migration of an end user's account, forcing CLECs to go through a
  multi-step process. (KPMG Exception 16, dated March 5, 2001)

- The TAG interface does not implement the end user information requirements contained in the BBR-LO for Local Ordering, OSS '99, Issue 9L. (KPMG Exception 42, dated April 4, 2001)

- The BBO-LO for Local Ordering, OSS '99, Issue 9L, fails to define a process for an unbundled loop (REQTYP A) migration from one CLEC to another. (KPMG Exception 49, dated April 24, 2001)

- BellSouth's error responses were inconsistent with the BBR-LO, OSS '99, Issue 9L, for conversion of accounts (retail, resale, and UNE-P) to line sharing accounts. (KPMG Exception 75, dated June 28, 2001)

- Messages on rejection notices for LSRs requesting designed UNE loops with number portability were inconsistent with the BBR-LO, OSS '99. (KPMG Exception 77, dated June 28, 2001).

- The pre-ordering business rules for loop makeup data on working loops query were inconsistent with the TAG API reference guide on circuit ID and telephone number field formats. (KPMG Observation 90, dated July 5, 2001)

- BellSouth's "Selective Call Routing Using Line Class Codes" document is inconsistent and incomplete. (KPMG Observation 98, dated August 1, 2001)

- The BBR-LO contains inconsistent and incomplete instructions necessary for CLECs to access and use BellSouth's systems. (KPMG Observation 108, dated August 16, 2001)

In these observations and exceptions (attached hereto as Attachment 52), KPMG repeatedly

emphasized that BellSouth's inadequate documentation could impede the CLECs' ability to

compete by causing errors and rejections, delays in provisioning, an increase in the CLECs'

costs, and customer dissatisfaction.

6. BellSouth Has Exhibited a Pattern of Noncompliance With the CCP.

228. BellSouth has demonstrated a consistent pattern of noncompliance with

the CCP. As described above, BellSouth's biased prioritization of change requests violates both

the spirit and the letter of the CCP. Additionally, BellSouth continues to make changes to its

OSS without following the CCP, causing additional expense and operational problems for

CLECS. The following examples show that BellSouth has a pattern of failing to comply with the

CCP, to the detriment of its competitors.

229.   **Failure To File Change Requests.** Despite the requirement that requests

for changes to the CCP itself be submitted as change requests, BellSouth routinely fails to submit

such change requests. Instead, exercising its prerogative to ignore the provisions of the CCP,

BellSouth has introduced the changes it wants by simply including them in the "working

document," by including them in the agenda notices for various meetings, or by surprise

presentations during various meetings held under the umbrella of the CCP.

230.   **Improper changes to planned electronic OS/DA ordering capability.**

After more than two years of having its requests for electronic flow through OS/DA ordering

ignored, AT&T submitted a formal change request to BellSouth for the capability in February

2000. BellSouth accepted the request, committed resources to the project, and announced to the

CLEC community that the capability for electronic ordering of one customized routing option (to

BellSouth's platform, unbranded) would be provided in Software Release 8 on November 18,

2000. BellSouth repeatedly reaffirmed this schedule in industry meetings up to and including a

meeting on September 29, 2000. However, in October, 2000 BellSouth made the unilateral

decision to remove this change from the Release. Neither BellSouth's decision to drop the

functionality nor its subsequent decision to introduce a severely limited substitute was made or

communicated in accordance with the Change Control Process.[90]

---

[90] As described more fully below in my discussion of the OS/DA issue, BellSouth's actions have
left AT&T without the ability to order electronically the customized routing option to
BellSouth's platforms unbranded. BellSouth has not even allowed AT&T to test its inferior
substitute (much less use the substitute in commercial operations) until the parties negotiate a
test agreement – and AT&T has been unable to negotiate such an agreement with BellSouth.

231.   **Improper implementation of business rules.** In August 2000, BellSouth

implemented Issue 9G of its Business Rules for Local Ordering without providing the required

notice and opportunity for discussion through the CCP. Because BellSouth circumvented the

CCP, CLECs were unable to make the required coding and process changes by the proposed

October 2, 2000, implementation date. BellSouth nevertheless refused to withdraw these

unapproved changes and implemented them on October 2, 2000. In addition to rejecting the

previously valid CLEC orders impacted by these unilaterally imposed changes, BellSouth's

software release also contained coding errors that caused the rejection of other types of CLEC

orders. As will be discussed below, this was not an isolated event and has recurred with the

implementation of Verizon's Issues 9P and 9R of the business rules.

232.   **Unilateral changes in ordering software.** At the November 13, 2000,

Release 9 User Requirements Meeting, BellSouth announced that three features based on CLEC

change requests and previously scheduled for Release 9 would not be included in the scope of

the release, that it was probable that not all of them would even be in Release 10, and that

Release 11 was yet to be scheduled. Furthermore, BellSouth revealed that its implementation of

UNE-to-UNE migrations (per its self-initiated Change Request No. 0030) would include only

the capability to migrate from UNE-P to a UNE loop *without* number portability (the scenario

lest likely to be used), and that if any other capability was desired, a new change request would

have to be submitted. The resulting release included *no* CLEC-initiated change request, and the

UNE-to-UNE capability that was provided has little practical value to CLECs. This pattern has

continued throughout 2001, and may be verified by a review of the Carrier Notification Letters

posted on BellSouth's web site associated with releases 9.4, 10.0, and 10.3

233.   **Unilateral decision to implement a new process.** In September 2000,

AT&T requested consideration of specific changes to the Change Control Process, in accordance

with procedures specified by the process. According to the CCP, this request should have been

discussed during Monthly Status Meetings. BellSouth refused to do so, however, and instead

established a separate series of CCP Process Improvement meetings for discussing the request,

thus delaying action on the request for several months. In early 2001 the BellSouth Change

Control Team unilaterally discontinued these meetings, only to reinstate them 45 days later.

234.   In addition to these real-world examples of noncompliance, KPMG has

found in its Florida third-party testing that BellSouth does not adhere to the CCP. For example,

KPMG issued an exception because BellSouth failed to provide notification of all system

outages that occurred, and failed to send the outage notification to CLECs within the one-hour

period required by the CCP – even after retesting.[91] KPMG subsequently found that BellSouth

did not provide the 30-day advance notification required by the CCP for certain changes in its

Business Rules for Local Ordering.[92]

235.   Even the filing of its latest Section 271 application has not deterred

BellSouth from its disregard of the CMP. On October 9, 2001, BellSouth disseminated a table

that summarizes changes in its Business Rules for Local Ordering (Issue 9R), to be effective

November 9, 2001. BellSouth, however, did not issue the rules themselves.[93] This procedure

was a blatant violation of the CCP, which requires BellSouth to publish the actual rules – not a

---

[91] KPMG Amended Exception 12, dated May 23, 2001 (attached hereto as Attachment 53).
KPMG found that such lack of notification may leave CLECs "unable to assess and resolve the
situation resulting in potentially increased costs, decreased revenue and/or reduced customer
service." *Id.* at 4.

[92] KPMG Observation 116, dated September 5, 2001 (attached hereto as Attachment 54).

[93] The October 9, 2001 BellSouth letter disseminating the summary table, and AT&T's protest in

summary table – 30 days in advance of the effective date. Without adequate advance notice of

the actual rules, CLECs are likely to experience substantial order rejections and disruption of

their operations when the rules take effect. That is precisely the result that any adequate change

management process would prevent.

7.   Conclusion

236.   Plainly, under the factors used by the Commission to analyze a change

management plan, BellSouth's CCP does not afford competitors a meaningful opportunity to

compete. To meet its OSS obligations under the Act, BellSouth must agree to dramatic revisions

in its CCP, including (but not limited to) the following:

- A "go/no go vote" process should be implemented. This will ensure that a scheduled change will go forward only with the CLECs' consent and that CLECs can stop a planned change that may cause problems in the OSS, based on testing or on a review of documentation when testing is unavoidable.

- In sizing and sequencing change requests prioritized by the CLECs, BellSouth should begin with the top-priority items and continue down through the list until the capacity constraints have been reached for each future release. This will ensure that CLECs have a meaningful voice in prioritization, and that the priorities assigned by the CLECs will be implemented.

- CLECs should be given the opportunity to meet directly with the BellSouth managers who make the final decisions on implementation and prioritization of change requests, along with their subject matter experts ("SMEs"). This will ensure that CLECs can discuss change requests directly with the BellSouth personnel who actually make the final decisions on change requests and their SMEs, rather than merely with "go-betweens."

- BellSouth should be required to provide CLECs with a written explanation whenever it rejects a proposed change request.[94] This will assist the CLECs in determining whether a valid basis exists for the rejection.

---

response to the letter, are attached hereto as Attachments 55 and 56, respectively.

[94] Under the current CCP, BellSouth is required to explain its reasons for rejecting a change request only if the CLEC proposing the request asks for such an explanation. Even when the CLEC makes such a request, BellSouth is not required to provide the explanation until the

- No limitation should be placed on the number of BellSouth releases each year. This will ensure that changes are not unduly delayed by a limited number of releases, and that changes will be implemented more according to demand and CLEC need.

- The scope of the CCP should be expanded to include: (1) the development of new interfaces; and (2) changes to LEO, LESOG, and BellSouth's legacy systems. This will ensure that the CCP encompasses all changes to the OSS that directly affect CLECs.

- The CCP should be amended to make clear that it includes changes to BellSouth's billing systems. As previously stated, notwithstanding the language of the CCP document, BellSouth currently (and erroneously) maintains that billing is outside the scope of the CCP.

- The materials ("Change Review Package") that BellSouth is required to distribute before a change review meeting should include not only a schedule of releases, but a description of the capacity of each release. This will ensure that the CLECs will learn in advance of any capacity limitations of the release.

Most importantly, before it can be found to be in compliance with its OSS obligations, BellSouth

must demonstrate a pattern of compliance with the CCP.

> **B.** **The Unduly Lengthy Answering Times of the BellSouth Local Carrier Service Center Violate BellSouth's Obligation To Provide Adequate Technical Assistance and Help Desk Support.**

237. As part of its OSS obligation to "adequately assist competing carriers to

use available OSS functions," BellSouth must provide adequate technical assistance and help

desk support to assist CLECs in using the OSS, resolving problems, and answering inquiries

from CLECs as they occur. *See New York 271 Order*, ¶ 126 & n.361. BellSouth, however, has

not done so. The lengthy times that the Local Carrier Service Center takes to answer CLEC calls

are discriminatory and anticompetitive.

---

second monthly meeting after the request is made.

238.   When BellSouth's retail customers desire to place a new order or have a question about a pending order, they call BellSouth's Residence Service Center ("RSC") or its Business Service Center ("BSC"). When CLECs needs information about a pending order for which it has received no FOC or rejection notice, the CLEC calls the LCSC. One measure of parity in customer support is the time it takes BellSouth to answer calls at these various service centers. BellSouth includes this data in its monthly performance reports.

239.   BellSouth's reported data on call answering times indicates on its face that BellSouth has provided CLECs with second-class customer support, and thus denies parity. The table below summarizes BellSouth's answer times in 2001.

Speed of Answer in Ordering Centers			
Month	LCSC	RSC	BSC
January	398 seconds	154 seconds	84 seconds
February	179 seconds	110 seconds	42 seconds
March	148 seconds	139 seconds	57 seconds
April	96 seconds	128 seconds	28 seconds
May	50 seconds	131 seconds	27 seconds
June	65 seconds	144 seconds	27 seconds
July	59 seconds	218 seconds	26 seconds[95]

---

[95] A graph comparing the answer times of the LCSC and BSC from May 2001 through July 2001 is attached hereto as Attachment 57. According to BellSouth's reported performance data for August, 2001, call answer times for the LCSC were lower than those for the RSC or the BSC. Even assuming that these data are reliable, they do not change the fact that through the first 7 months of 2001, call answer times of the LCSC were far longer than those of the BSC.

240.	CLECs are among BellSouth's largest customers. Nevertheless, the answer times of the LCSC have generally been two to three times longer than what BellSouth provides its retail business customers. Indeed, KPMG recently opened Observation 109 in the Florida third-party test based on its discovery that BellSouth's internal performance objective was to answer 95 percent of all CLEC calls within 180 seconds, whereas its internal objective for retail business customers was 85 percent within 20 seconds.

241.	The lengthy answer times at the LCSC are a product of the high workload imposed on the LCSC as a result of the high rate of manual fall-out of CLEC orders (*see* Part __, *supra*). But if BellSouth denies that such is the case, the long answer times can only be the product of BellSouth's anticompetitive intent. BellSouth has no reason to provide second-class service to its biggest customers, but for the fact that those customers are BellSouth's competitors, and BellSouth has every incentive to inhibit its competitors' efforts to attract and retain customers. Relegating CLECs to second-class status, however, is precisely what the 1996 Act's requirement of nondiscriminatory access to OSS functions is intended to prevent.

## IV.	BELLSOUTH HAS NOT SHOWN THAT ITS OSS ARE OPERATIONALLY READY TO PROVIDE NONDISCRIMINATORY ACCESS.

242.	As Mr. Stacy notes, the Commission has repeatedly held that actual commercial usage is the most probative evidence that a BOC's OSS are operationally ready to provide nondiscriminatory access. Stacy Aff., ¶ 9. BellSouth's data, however, fail to demonstrate that its OSS are operationally ready.

243.	Mr. Stacy's argument that "the level of commercial usage alone clearly demonstrates the operational readiness of these interfaces" is flatly wrong. *Id.* The fact that CLECs have *some* access to BellSouth's OSS does not demonstrate that they have been provided *nondiscriminatory* access. Thus, even if more than 3 million LSRs have already been submitted

through BellSouth's electronic interfaces, as Mr. Stacy claims (*id.*, ¶ 253), such volumes, by themselves, do not indicate whether those orders were processed and provisioned with the same degree of accuracy, timeliness, or reliability as orders submitted for BellSouth's retail customers. Standing alone, the volume of LSRs simply illustrates the intensity of the CLECs' efforts to enter the local exchange market despite the barriers to entry that BellSouth has erected.

244. BellSouth's reported performance data do not demonstrate operational readiness. The declaration of Cheryl Bursh and Sharon Norris demonstrates that BellSouth's data lack sufficient reliability and integrity to be regarded as an accurate measure of BellSouth's performance. For example, as previously described, BellSouth has unilaterally changed its method of measuring interval times for the return of FOCs and rejection notices to exclude "non-business hours" – thereby masking untimely performance.

245. The reliability of BellSouth's reported performance data is further undermined by disclosures, in recently-produced BellSouth documents, that BellSouth's LCSCs engaged in the discriminatory practice of giving preferential treatment of manually processed LSRs from Georgia and Florida over LSRs submitted from other States.[96] This discriminatory practice was plainly intended to affect the results of the KPMG third-party testing in Georgia and Florida. Although BellSouth has alleged that the preferential treatment ended in early 2001, only a thorough investigation (like that which AT&T has requested the Georgia PSC to conduct) can determine whether such is the case. At this stage, neither BellSouth's assertions, nor its performance data, should be taken at face value.

---

[96] *See* AT&T's Petition for Investigation Into BellSouth Telecommunications, Inc.'s Conduct In Processing Certain LSRs and Retiring of Key OSS Systems, filed September 11, 2001, in Georgia PSC Docket No. 6863-U, at 1-7 (attached hereto as Attachment 58).

246.   Nonetheless, even BellSouth's reported data show that its OSS are not operationally ready. The data demonstrate, for example, that BellSouth excessively relies on manual processing that is the product of its own system design and systems errors. The data also show that BellSouth does not comply with its obligations to return FOCs, rejection notices, and other status notices on a timely, accurate basis. Similarly, the data show that BellSouth commits errors in service order entry and in provisioning at an alarmingly high rate that inhibits CLECs from providing service equivalent to that offered by BellSouth in its retail operations.

247.   AT&T's own experience in the local exchange market in the BellSouth region further demonstrates that the BellSouth OSS are not operationally ready. The declaration of Bernadette Siegler describes numerous deficiencies in the OSS, including frequent outages on the LENS interface, that have impeded AT&T's efforts to provide service through the UNE platform.

248.   BellSouth cannot compensate for the lack of reliable data to support its application by relying on KPMG's third-party testing in Georgia. In the first place, the Georgia test, even with its limited scope, revealed deficiencies in the OSS that deny parity of access. Furthermore, the more comprehensive third-party test of the OSS still underway in Florida has already found that the OSS deny parity in numerous additional respects. A description of both tests, and their findings, is set forth in the declaration of Sharon Norris.

249.   The "Georgia 1000" test of the OSS that BellSouth performed jointly with AT&T provides further evidence that the OSS are not operationally ready. That test showed, *inter alia*, that BellSouth is unable to handle and provision UNE-P orders from AT&T on a timely and consistent basis. A full description of this test, and its results, is set forth in the declaration of Bernadette Siegler.

V.   BELLSOUTH HAS FAILED TO ESTABLISH THAT IT HAS ADEQUATE CAPACITY TO MEET CLEC REQUIREMENTS.

250.   Sufficient volume capacity is critical to supporting CLECs' entry into the local exchange market. CLECs are dependent on BellSouth's OSS for pre-ordering information, ordering and provisioning, billing, and maintenance and repair. Inadequate OSS capacity would place CLECs at a competitive disadvantage because they will not be able to assure their customers that the CLECs' service will be at least as accurate, dependable, and fast as service provided by BellSouth. Inadequate OSS capacity also impacts consumers. If BellSouth's OSS are not sufficient to handle the volume of CLEC transactions, customer service will not be timely and accurately provisioned, bills may be late and inaccurate, and maintenance and repair issues may be unaddressed.

251.   BellSouth's suite of CLEC OSS ("ENCORE") does not provide sufficient production capacity to process projected order volumes. Indeed, BellSouth has advised KPMG that its "production environment did not have the computing capacity in the production environment to sustain the workloads 18 months to two years hence."[97] BellSouth's lack of sufficient capacity is further demonstrated by the modifications that BellSouth has made to the ENCORE production environment since the conclusion of the Georgia third-party volume test. In December 2000, BellSouth upgraded a server associated with LENS and TAG after those interfaces suffered numerous outages and CLECs endured degraded performance for a number of months. BellSouth's Carrier Notification Letter SN91082158 dated January 11, 2001, explained the need for this upgrade and apologized for the inconvenience.[98]

---

[97] *See* Transcript of May 8, 2001, proceedings in Georgia PSC Docket No. 8354-U, at 212-213 (attached hereto as Attachment 59).

[98] This Carrier Notification Letter may be found at www.interconnection.bellsouth.com/notifications/carrier/carrier_pdf/91082158.pdf

252. Furthermore, the frequent and lengthy outages experienced on BellSouth's interfaces indicate that BellSouth's electronic OSS lack sufficient capacity to handle reasonably foreseeable volumes. The outages experienced by users of the LENS interface are particularly indicative of a lack of capacity in BellSouth's OSS, because nearly two-thirds of the LSRs submitted electronically to BellSouth are sent via LENS. Outages also occur frequently on BellSouth's two other ordering interfaces, EDI and TAG. Further detail regarding the outages on all three interfaces is provided in the declaration of Bernadette Siegler.[99]

253. BellSouth provides virtually no evidence that its electronic OSS have sufficient capacity. Mr. Stacy simply asserts that BellSouth "has performed routine, ongoing, internal normal, peak, and stress volume tests that have shown that BellSouth's production environment has sufficient capacity." Stacy Aff., ¶ 594. However, Mr. Stacy provides no documentation or data regarding the testing. Nor, aside from a summary table, does he provide any basis for his claim that BellSouth has recently increased the capacity of its production environment. *Id.*

254. BellSouth also has not demonstrated that its service centers have sufficient capacity to perform manual processing of orders in a timely and accurate manner. Indeed, the poor performance of the LCSCs in returning status notices and in service order accuracy are, by themselves, ample proof that the LCSCs *currently* lack sufficient capacity to handle their already-large workload of orders that fall out for manual processing. As CLECs ramp up for mass-market entry, the LCSC's workload will only increase – and its performance will further deteriorate.

---

[99] Mr. Stacy's suggestion that outages "are in no way related to capacity issues" (Stacy Aff., ¶ 342) is incorrect. Outages can be the result of insufficient system capacity.

255. BellSouth contends that it ensures accurate staffing at the LCSCs by utilizing "work force models" to anticipate staffing needs. Ainsworth Aff., ¶ 6. This is incorrect. BellSouth has acknowledged that it has not recently reviewed its work force model, and has not used it since April 2000. The poor performance of the LCSCs amply demonstrate that, even if used by BellSouth, the work force models have seriously underestimated staffing needs at the LCSCs. Alternatively, even if the work force models have correctly anticipated staffing needs, the poor performance of the LCSC reflects poor management and inefficient use of resources.

256. The third-party volume testing conducted by KPMG in Georgia also does not establish that BellSouth has sufficient capacity, notwithstanding BellSouth's assertion to the contrary. Stacy Aff., ¶¶ 584-593. Although KPMG conducted volume testing in Georgia, four out of its five volume tests were not conducted on BellSouth's production systems (*i.e.*, those systems that BellSouth actually uses to support CLECs). Rather, the volume tests were conducted on BellSouth's test system (Reengineered Services, Installation and Maintenance Management System, or "RSIMMS"), which BellSouth expanded specifically for these volume tests. As a result of this expansion, RSIMMS had significantly more capacity than ENCORE, the system BellSouth was using to support CLECs. Conducting volume tests of BellSouth's test system is not probative on whether BellSouth's production systems have adequate capacity.

257. By contrast, the results of third-party testing in Florida call BellSouth's claim of sufficient capacity into serious question. KPMG's monthly status report for the Florida test, dated September 30, 2001, states:

> *TVV2-POP Volume Performance Test*: Testing is on hold pending
> the resolution of open exceptions. Exceptions 99, 104, and 107 are
> open and are related to electronic volume testing. Exception 72 is

open and is related to manual volume testing. Exception 108 has
been recommended for closure. KPMG consulting is refreshing
the volume forecast to reflect a September 2002 target date.
Exceptions 72, 99, 104, and 107 are still open.[100]

258.   Three of the exceptions cited by KPMG relates directly to the capacity of

BellSouth's electronic systems.   Exceptions 99 and 107 found that KPMG had not received fully

mechanized responses for all of the LSRs submitted via EDI and TAG, respectively. Exception

104 found that BellSouth was not providing timely responses to KPMG's pre-ordering queries

(with response times ranging from 21.1 to 196 seconds). *See* Attachment 61 hereto.

259.   The remaining exception cited by KPMG calls into question the capacity

of BellSouth's manual processes for handling LSRs. As previously noted, Exception 72 found

that during KPMG's volume testing of manually submitted LSRs, KPMG had not received a

FOC, rejection, or clarification by fax from the LCSC on a number of the orders. *See*

Attachment 62 hereto.

260.   In suspending its volume testing in Florida, KPMG evidently determined

that it makes no sense to test whether BellSouth's OSS can handle large volumes of orders

because KPMG's tests have indicated that the small number of "pseudo CLEC" transactions and

orders are not being properly processed by BellSouth's OSS. In any event, in view of the KPMG

exceptions and its decision to suspend volume testing in light of the problems found in those

exceptions, BellSouth clearly cannot demonstrate that its OSS have adequate capacity to process

projected commercial volumes effectively and without a degradation in quality.

---

[100] *See* KPMG Consulting – BellSouth-FL OSS Testing Evaluation, Monthly Status Report dated
September 30, 2001, § 2.0 (attached hereto as Attachment 60).

VI.   BELLSOUTH'S "REGIONALITY" ARGUMENT

261.   BellSouth asserts that it "uses essentially the same OSS throughout its entire region," and that it may therefore "rely on Georgia performance and the Georgia third-party testing to support the Georgia application, [and] on Louisiana performance to support the Georgia application." Application at 52-53.

262.   Even if it could be appropriate to excuse BellSouth's incomplete showings with respect to Louisiana and Georgia on the ground that what is missing with respect to one State can be found with respect to the other when BellSouth has not received Section 271 authority in *either* State, BellSouth has not shown that the Louisiana and Georgia systems are essentially the same. Indeed, BellSouth has not established that its OSS are the same for purposes of obtaining 271 relief in Georgia and Louisiana. In fact, BellSouth effectively concedes that the performance of its systems *does* differ in Georgia and Louisiana. Heartley Aff., ¶¶ 33-38, 40-41.

263.   BellSouth attempts to support its position by citing the examination conducted by Price Waterhouse Coopers ("PWC"). Application at 57-59; Stacy Aff., ¶¶ 675-689. However, contrary to BellSouth's claim, the PWC review provides very little useful or reliable information on the relevant Louisiana/Georgia issue. *See* Application at 59.

264.   First, the reliability of the PWC report is inherently suspect because PWC's review was commissioned by BellSouth. Stacy Aff., ¶ 675. No State regulatory agency supervised, or was otherwise involved in, PWC's review.

265.   Second, the May 3, 2001 "attestation" of PWC consists of a single page in which PWC states its opinion that certain assertions by BellSouth's management "are fairly stated, in all material respects, as of May 3, 2001, based on the criteria set forth in the Report of

Management Assertions and Assertion Criteria on BellSouth Telecommunication's Operational

Support Systems." Stacy Aff., OSS-86, Att. A at 1. PWC attested to BellSouth's assertion that:

(1) BellSouth "utilizes the same Pre-Order and Order operational support systems (OSS)

throughout BST's nine-state region to support wholesale competing local exchange carrier

(CLEC) activity, based on criteria established" by BellSouth management; and (2) BellSouth's

DOE and SONG systems "have no material differences in the functionality of performance for

service order entry by the Local Carrier Service Center." *Id.*

266.   For purposes of determining the "sameness" of BellSouth's pre-ordering

and ordering systems, however, PWC applied a definition of "sameness" *established by*

BellSouth.[101] BellSouth management established the following two criteria to determine the

"sameness" of its pre-ordering and ordering OSS -- one addressing automated processes and the

other addressing manual processes.

- The applications and interfaces implemented and available are identical across the nine-state region. "Identical" is defined as one unique set of software coding and configuration ("version") installed on either one or multiple computer servers ("instances") that support all nine-states in an equitable manner.

- The process, personnel and work center facilities are consistently available and employed across the nine-state region and there are no significant aspects to the process, personnel or work center facilities that would provide one state a greater service level or benefit than the other states in the nine-state region.[102]

267.   With respect to the "sameness" of its automated pre-ordering and ordering

systems, BellSouth's criteria were incomplete because they did not address actual performance

---

[101] The definition of "sameness" applied by PWC was set forth in the BellSouth Report of Management Assertions to which PWC was attesting. *See* Stacy Aff., OSS-86, Att. A at 1-2. Thus, BellSouth's suggestion that PWC developed the definition of "sameness" is flatly wrong. *See* Application at 58 n.55.

[102] Stacy Aff., ¶ 678 & OSS-86 at 2.

and included no examination of State-specific data. PWC, therefore, did not compare pre-ordering and ordering performance data from each State to determine whether BellSouth's OSS actually "support all nine-states in an equitable manner." Rather, PWC simply conducted a mechanical review of whether certain OSS hardware and software are physically similar.

268. In addition, PWC's review of BellSouth's automated systems was incomplete. PWC, for example, did not examine all of the OSS involved in performing pre-ordering functions. Specifically, PWC did not review BellSouth's legacy systems used for pre-ordering or ordering functions because it regarded those applications as "out-of-scope." *See* Stacy Aff., OSS-86 at 12. That fact alone distinguishes PWC's review from that conducted of Southwestern Bell's OSS by Ernst & Young. Although BellSouth suggests that the attestation of PWC is "closely modeled" after the Ernst & Young attestation, Ernest & Young's review included two critical OSS systems of SWBT – LASR and SORD – which, *inter alia*, edit electronically-submitted CLEC orders after they are sent by CLECs.[103] By contrast, PWC did not review the BellSouth systems that performed parallel editing functions (LEO, LESOG, and SOCS).

269. The PWC review of BellSouth's manual order processing was similarly inadequate. PWC attested to the assertion that BellSouth "DOE and SONGS systems have no material differences in functionality or performance for service order entry by the Local Carrier Service Centers (LCSC)," based on certain criteria. These criteria are meaningless. In essence, BellSouth asserts that information taken from a uniform CLEC LSR can be inputted into both DOE and SONGS, and the output of both DOE and SONGS goes to SOCS. The same assertion, however, could be made for any of the ordering interfaces (TAG, EDI and LENS) that BellSouth

---

[103] *See Kansas/Oklahoma 271 Order,* ¶ 107 n.304; Application at 58 n.54; Stacy Aff., ¶ 676.

makes available to CLECs. That does not mean that TAG, LENS, and EDI are not materially

different from each other or from DOE or SONGS. As demonstrated above in my testimony

regarding flow-through, TAG, LENS and EDI have significant performance differences with

respect to flow through.

270.   Even when professing to be concerned with performance differences,

PWC stopped short of collecting and investigating all relevant data. The Kentucky PSC Staff

discovered this shortcoming during an Informal Conference held on May 10, 2001, during which

PWC presented an overview of its work.[104]

271.   Third, with respect to PWC's manual processes, PWC's attestation is

inconsistent with the BellSouth practices that it discovered during its review. PWC, applying

BellSouth's definition of "sameness," found that BellSouth's work center facilities do not

"provide one state a greater service level or benefit than the other states in the nine-state region."

Stacy Aff., OSS-86, Att. A at 1-2. However, during its review PWC discovered that BellSouth's

service representatives in its LCSCs were providing preferential treatment to CLEC orders for

consumers in Georgia and Florida (where manually-processed orders account for approximately

30 percent of total CLEC orders) as compared to CLEC orders for consumers in other states,

such as North Carolina.   It appears to be no coincidence that BellSouth was giving such

preferential treatment at the same time that third-party testing of its OSS was being conducted in

both Georgia and Florida.[105]

---

[104] *See* Memorandum of Informal Conference in Kentucky PSC Docket No. 2001-105, dated May 16, 2002 (attached hereto as Attachment 63).

[105] PWC has stated that it attested to the regionality of the BellSouth OSS despite its discovery of this preferential treatment because BellSouth ended the practice two weeks before the date of its attestation. This simply illustrates the fact that PWC's attestation was a "snapshot" of BellSouth's OSS as of May 3, 2001 – and, thus, PWC could not have made its attestation if it had been issued two weeks earlier.

272.   The deficiencies in PWC's May 3, 2001 attestation were not cured by the

accuracy and timeliness review that it subsequently conducted of DOE and SONGS. *See* Stacy

Aff., ¶¶ 682-686 & OSS-87.[106]   That evaluation encompassed only the performance of

BellSouth's manual order processing. Like its earlier attestation review, PWC's evaluation

included no review of the actual performance of BellSouth's electronic OSS. As a result, even if

PWC had found that the performance of DOE and SONG was the same, the two PWC reviews

provide no basis for concluding that the OSS are the same in Georgia and Louisiana.[107]

273.   Finally, BellSouth's position concerning regionality is not only erroneous,

but internally inconsistent. Quite simply, BellSouth is attempting to have it both ways.

BellSouth asserts that its OSS are the same in each State in its region, thereby enabling it to use

evidence from one State in its region (Georgia) for purposes of an application for another State

(Louisiana), and vice versa. However, if BellSouth's assertion that its OSS are "the same"

across its region is correct, any evidence regarding the performance of its OSS in *any* State in the

BellSouth region – and not simply evidence of its performance in Georgia and Louisiana –

should be relevant to its application. Yet, at the same time he argues that BellSouth's OSS are

---

[106] Although Mr. Stacy asserts that the May 3rd attestation of PWC addressed the performance of
DOE and SONGS, his own description of PWC's review makes clear that PWC examined only
process similarities (such as the similarities of the transactions input into the two interfaces), not
actual performance. Stacy Aff., ¶ 682. Indeed, the subsequent PWC accuracy and timeliness
evaluation of DOE and SONGS belies any claim that the original attestation reviewed such
areas. Mr. Stacy acknowledges that the subsequent review was requested by BellSouth after the
above-described May 10, 2001, informal conference with the Kentucky PSC staff, where Staff
criticized PWC for failing to evaluate the success rate of DOE and SONGS. *Id.*

[107] PWC's accuracy and timeliness evaluation, in fact, found that the performance of service
representatives using DOE and SONGS was *not* the same in all respects. PWC found that the
average input time for DOJ was approximately 3 minutes (or 60 percent) longer than the average
input time for SONGS. Stacy Aff., ¶ 684. Although Mr. Stacy asserts that this difference "is not
material," he provides no basis for that conclusion. *Id.*

the same across its region, Mr. Stacy suggests that the Commission should give no weight to the

third-party test of BellSouth's OSS in Florida.[108]

VII.   BELLSOUTH DOES NOT PROVIDE NONDISCRIMINATORY ACCESS TO CUSTOMIZED OS/DA ROUTING OR CUSTOMIZED OS/DA BRANDING.

274.   Customized OS/DA routing is required to provide CLECs with the ability

to obtain Operator Service and Directory Assistance services from suppliers other than the

incumbent LEC, BellSouth in this case. Central office software, trunking arrangements, and a

customer-specific ordering process are required for customized OS/DA routing.

275.   BellSouth has proposed two technologies for providing customized

routing: Advanced Intelligent Network ("AIN") and Line Class Codes ("LCCs"). These

technologies may also be used to route calls to BellSouth's own OS/DA platform. BellSouth

effectively admits that there are currently no customized routing arrangements in Georgia or

Louisiana.[109] BellSouth also provides routing to its own OS/DA platform through Originating

Line Number Screening ("OLNS"), which will be discussed further, below. Customized OS/DA

routing cannot be ordered electronically in BellSouth's OSS, and in fact, BellSouth has never

provided the methods and procedures necessary to apply customized routing to specific

customers.

276.   The Commission contemplated that a BOC would have to do much more

than tell competitive providers to contact an account team in order to "provide" a checklist item.

---

[108] Stacy Aff., ¶ 598 (asserting that differences between Florida and Georgia third-party tests "merely reflect the fact that the scope of the Georgia test differs from that of the Florida test").

[109] BellSouth erroneously claims that it has provided one such arrangement to "a CLEC" in Georgia. Application at 119, Milner Aff., ¶ 188. The arrangement to which BellSouth refers is a customized routing arrangement, nor is it in service. It would have been a custom branding arrangement implemented to support AT&T's "Georgia 1000" UNE-P test. That arrangement, however, has never been activated.

The Commission previously has discussed what it means for a Bell Operating Company ("BOC") to "provide" a checklist item. In its *Michigan 271 Order*, the Commission concluded that a BOC provides an item if it "actually furnishes" the item, but if no competitor is actually using the item, the BOC will be considered to provide the item if it "makes the checklist item available as both a legal and a practical matter." The Commission further noted that "the mere fact that a BOC has 'offered' to provide checklist items will not suffice" to establish compliance, and explained that instead, the "BOC must have a concrete and specific legal obligation to furnish the item upon request pursuant to state-approved interconnection agreements that set forth prices and other terms and conditions for each checklist item."[110]

277.   Specific, verifiable terms and conditions for ordering and provisioning customized routing, including adequate business rules and an electronic ordering process (or even a documented manual ordering process) for applying customized routing to specific customers simply do not exist. BellSouth has not, and cannot, demonstrate that it provides customized OS/DA routing as a practical matter.

---

[110] *Michigan 271 Order*, ¶ 110.

A.   **BellSouth Does Not Provide Ordering Capability For Customized OS/DA Routing In Compliance With The Commission's Orders.**

278.   The Commission has determined that incumbent LECs (including

BellSouth) must provide customized routing as part of the switching function, unless they can

prove that customized routing in a particular switch is not technically feasible.[111] Moreover, the

Commission has not limited BellSouth's obligation to provide OS/DA routing on a "one per

CLEC" basis. In fact, the Commission anticipated that CLECs may have more than one OS/DA

routing option, and instructed BellSouth to simplify its ordering processes accordingly:

> We agree with BellSouth that a competitive LEC must tell
> BellSouth how to route its customers' calls. If a competitive LEC
> wants all of its customers' calls routed in the same way, it should
> be able to inform BellSouth, and BellSouth should be able to build
> the corresponding routing instructions into its systems just as
> BellSouth has done for its own customers. [Footnote 705] *If,
> however, a competitive LEC has more than one set of routing
> instructions for its customers, it seems reasonable and necessary
> for BellSouth to require the competitive LEC to include in its order
> an indicator that will inform BellSouth which selective routing
> pattern to use.* [Footnote 706] *BellSouth should not require the
> competitive LEC to provide the actual line class codes, which may
> differ from switch to switch, if BellSouth is capable of accepting a
> single code region-wide.*

Second Louisiana Order, ¶ 224 (emphasis added).[112]

[111] *Local Competition Order,* ¶ 418.

[112] The footnotes to the *Second Louisiana Order* reinforce these conclusions. Footnote 705
discusses the possibility that AT&T might want all its customers' calls routed in a single fashion:

> For example, if AT&T wants all of its customers' calls routed to AT&T's operator
> services and directory assistance, AT&T should be able to tell this to BellSouth once, by
> letter for instance, and BellSouth should be able to route the calls without requiring
> AT&T to indicate this information on every order.

Footnote 706, on the other hand, discusses the possibility that AT&T may desire more than one
OS/DA routing option:

> For example, if AT&T wants some of its operator services and directory assistance calls
> routed to its operator services and directory assistance platform, but it wants other
> operator service and directory assistance calls directed to BellSouth's platform, BellSouth
> does not know whether to route AT&T's customers' calls to AT&T's platform or its own

279.   The Commission's order is perfectly clear: CLECs are free to select more than one OS/DA routing option, and BellSouth may not require the CLEC to provide actual line class codes in order to obtain any OS/DA routing option if BellSouth is capable of accepting a single code, or indicator, on a region-wide basis. And BellSouth witnesses have testified that BellSouth is, indeed, quite capable of accepting a single region-wide code, or indicator, for each of the OS/DA routings that may be requested by a CLEC.[113] BellSouth's processes fail to provide CLECs with parity or a meaningful opportunity to compete.

280.   BellSouth is apparently willing to route OS/DA calls for all of the competitive LECs' customers to one "default" option per state, based on the competitive LECs' "footprint" order. However, if CLECs want to route the OS/DA calls of some customers to one platform and other customers to a different platform, BellSouth's position is that the CLEC's order must identify a yet-to-be-determined line class code for the particular central office serving that customer. Orders that contained such an identifier would fall out to manual processing because BellSouth's systems evidently cannot process line class codes. Thus, a CLEC's order for customized routing must go through two manual translations – the CLEC representative must translate the customer request into a line class code, and then the LCSC representative must translate the line class code into a SOCS-compatible format.

281.   In contrast, AT&T has requested that BellSouth assign a single unique "indicator" for a particular routing option that competitive LECs could identify on the order. In other words, AT&T has requested that BellSouth automate the process. Instead of having two

---

unless AT&T tells BellSouth which option it is choosing.

[113] *See* Attachment 64 hereto. BellSouth has never even attempted to demonstrate that it lacks this capability.

manual translations, BellSouth would program its OSS to translate the single unique indicator

into a SOCS compatible format.

282.   In the absence of an automated process, it is not clear how a CLEC is

supposed to submit an order for customized routing for particular customers. BellSouth has

never provided the methods and procedures necessary for such orders. On May 17, 2001,

BellSouth published a CLEC Information Package entitled "Selective Call Routing Using Line

Class Codes." *See* Attachment 65 hereto. This document provides formal instructions to CLECs

for the establishment of the footprint order and is based on work BellSouth's witness Keith

Milner and I conducted as a part of the AT&T arbitration. BellSouth included in this document

two "Ordering Information" paragraphs that were not a part of the effort in which I participated.

The instructions offered are confusing, inadequate, and impossible to implement.[114] On July 13,

2001, BellSouth published Version 2 of the information package. Version 3 of the information

package was published on August 28, 2001. My review of BellSouth's changes finds them to be

improved, but still inadequate.

283.   On July 16, 2001, Mr. Milner and I, acting as subject matter experts in the

AT&T interconnection agreement negotiations, agreed in principle to contract language that will

allow AT&T to use region-wide unique indicators to identify its choice of OS/DA routing

option. Whether BellSouth implements these changes, however, remains to be seen. To meet its

obligations under the Act, BellSouth must successfully deliver the functionality described in the

new contract language. The Commission has made it clear that in situations such as this a BOC

---

[114] Indeed, KPMG cited these same instructions when it filed its Exception 69 in the Florida
third-party test on June 12, 2001. *See* Attachment 66 hereto. The KPMG exception remains
open pending its review of Version 3 of the CLEC information package.

must demonstrate present compliance with the Act.[115] BellSouth's existing customized OS/DA

routing process does not comply with the Act or with the Commission's orders.

B   BellSouth's Provision Of OLNS Fails To Provide CLECs With A Meaningful Opportunity To Compete.

284.   Customized OS/DA routing involves the technology necessary to route

calls to the specified platform, which typically would be the competitive LEC's OS/DA

platform. Providing branded or unbranded OS/DA services, on the other hand, involves routing

CLEC customer calls to BellSouth's OS/DA platform, but in manner that enables BellSouth to

provide CLEC branding or unbranding for such calls.

285.   Either LCCs or AIN can be used to provide this service. In addition,

BellSouth has designed and implemented Originating Line Number Screening ("OLNS")

technology as an alternative for routing competitive LEC OS/DA calls to BellSouth's own

platform and provide those calls with either "unbranded" or CLEC-specific branding. AT&T

has purchased OLNS for use in conjunction with its UNE-P business market entry, and

BellSouth implemented OLNS for AT&T on May 19, 2001.

286.   Simple testing of BellSouth's OLNS, however, revealed several initial

defects, including (a) the failure of BellSouth to remove completely the BellSouth brand from

the option menu; (b) long call set-up times; and (c) the failure of BellSouth's operators to

identify themselves as AT&T when handling OLNS identified calls. BellSouth appears to have

resolved these defects, but its solution for the first defect has created a fourth defect. Now,

---

[115] *Michigan 271 Order,* ¶ 55 "[w]e find that a BOC's promises of *future* performance to address particular concerns raised by commenters have no probative value in demonstrating its *present* compliance with the requirements of section 271. Paper promises do not, and cannot, satisfy a BOC's burden of proof (emphasis added)." More recently, the Commission stressed that "…a[n] RBOC, under all circumstances, retains the burden of demonstrating that it has "fully implemented the competitive checklist in subsection (c)(2)(B)." *New York 271 Order,* ¶ 44.

AT&T's customers are not provided call routing options that are equivalent to those BellSouth

provides its retail customers.

287. When BellSouth's retail customers dial "0," they are greeted with the

BellSouth brand and are provided with a menu of four options. By picking one of the options,

the BellSouth customer can choose to place a call, or to have its call automatically routed to

BellSouth's residence service and repair, business service and repair, or a BellSouth operator.

288. In contrast, when AT&T's UNE-P business customers dial "0," they are

greeted with the AT&T brand, but are provided a menu of only two options. AT&T's customers

can choose to place a call, or have its call routed to BellSouth's operator (branded as AT&T).

AT&T's customers, however, are not provided the options of having their calls automatically

routed to AT&T's residence or business service and repair. Instead, AT&T's customers either

have to look up the number and then dial it (which is much less convenient than just pressing "2"

or "3"), or they have to call the operator and have the operator connect them (which is also much

slower and results in an additional charge to AT&T). Thus, BellSouth provides its retail

customers with access to OS/DA service that is superior to the OS/DA service that BellSouth

makes available to competitive LECs and their customers.

289. Initially, AT&T's customers were provided four menu options, but two of

the options were to have the call routed to "BellSouth residence service and repair" and

"BellSouth business service and repair." These BellSouth-branded menu choices were obviously

problematic because of the potential for customer confusion and mis-routing of calls to

BellSouth's service and repair centers rather than AT&T's service and repair centers. Instead of

correcting the branding and routing defects, BellSouth simply eliminated the options.

290.   In short, BellSouth does not provide non-discriminatory access to customized OS/DA routing or customized OS/DA branding. Specifically, CLECs cannot order customized OS/DA routing for a specific customer efficiently and effectively. With respect to customized OS/DA branding, CLECs are not provided call routing options that are equivalent to those BellSouth provides its retail customers.

CONCLUSION

291.   BellSouth's claims of compliance with its OSS obligations are premature. Despite some improvements in its systems, BellSouth has not fixed many of the deficiencies in its systems that the Commission found to be a denial of nondiscriminatory access. Parity of access cannot reasonably be said to exist when (*inter alia*) the rate of BellSouth-caused manual processing remains high, BellSouth fails to return status notices in an accurate and timely manner, BellSouth commits numerous errors in re-keying and provisioning CLEC orders, and BellSouth imposes a change control process that denies CLECs a meaningful opportunity to compete. Nor does BellSouth comply with its statutory obligations regarding OS/DA. Although BellSouth is closer to achieving the statutory requirement of nondiscriminatory access than it was at the time of the *Second Louisiana Order*, a significant gap remains between BellSouth's claims and actual compliance.